Royal Commission on the Future of the Toronto Waterfront

CANADA

Commission royale sur l'avenir du secteur riverain de Toronto

PERSISTENCE AND CHANGE: WATERFRONT ISSUES AND THE BOARD OF TORONTO HARBOUR COMMISSIONERS

The Report of the Steering Committee

on Matters Related to the

Board of Toronto Harbour Commissioners

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Royal Commission on the Future of the Toronto Waterfront.
Commissioner, The Honourable David Crombie, P.C.

171 Slater St.
11th Floor
P.O. Box 1527
Station "B"
Ottawa, Canada
K1P 6P5

207 Queen's Quay West
5th Floor
P.O. Box 4111
Station "A"
Toronto, Canada
M5W 2V4

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The Steering Committee
on Matters Related to the
Board of Toronto Harbour Commissioners

Ronald L. Doering, *Chairman*
David Carter
Susan Fish
F. Shane Foreman
James O'Mara
Scott W. Clark, *Secretary*

Ronald L. Doering is a practising lawyer with broad experience in public and private law. He holds graduate degrees in public administration and has lectured and published extensively in both law and public administration. He is currently Executive Director and Counsel to the Royal Commission on the Future of the Toronto Waterfront.

David Carter served with the Ministry of State for Urban Affairs and in City Management for the City of Saint John, New Brunswick. He contributed to the Ministerial Task Force on Programme Review and chaired an interdepartmental policy review of the Harbourfront Corporation. He is currently General Director of Corporate Policy and Administration with the federal Department of Public Works on secondment to the Royal Commission.

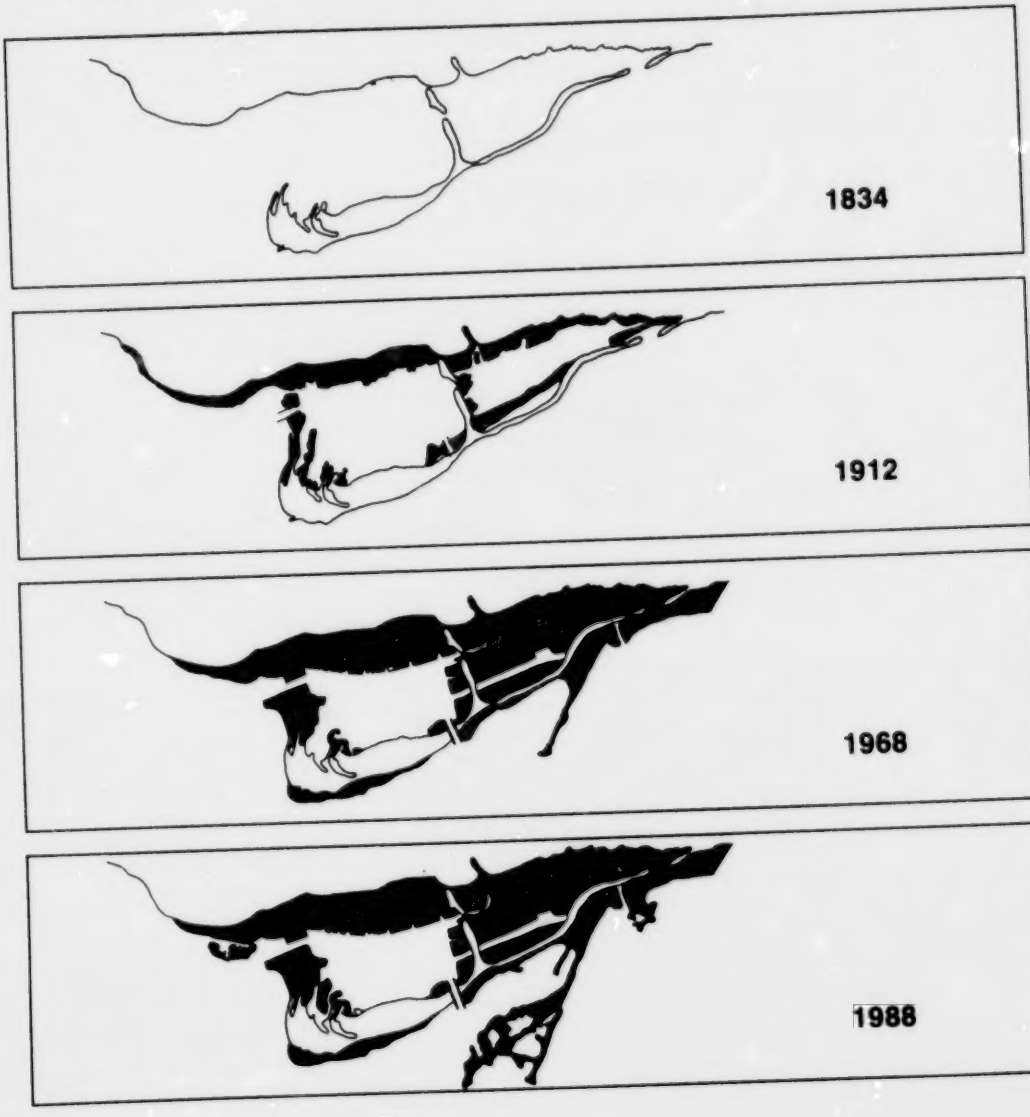
Susan Fish is a principal of Fish, Artmont, Henderson, a communications and strategic planning firm. Ms Fish, who holds a Master's degree in public administration, is the author of major studies on housing and urban development. She was Executive Director of the Bureau of Municipal Research, and held sessional appointments on the faculties of Osgoode Hall and York University law schools. Ms Fish has also been a member of Toronto City Council, a member of the Ontario legislature, and a provincial Cabinet Minister.

F. Shane Foreman is Manager, Corporate Planning for the Canada Ports Corporation in Ottawa. He has had considerable experience in the planning and development of Canadian ports.

James O'Mara, a staff member of the Royal Commission, has been seconded from the Government of Ontario where he is a senior policy advisor. He has written frequently on waterfront development and the Board of Toronto Harbour Commissioners.

Scott W. Clark received his Bachelor of Commerce degree from Queen's University and Bachelor of Laws degree from the University of Western Ontario. He is currently completing his Articles of Clerkship with the Commission as part of the Ontario Bar Admission Course.

TORONTO'S CHANGING WATERFRONT



PREFACE

The mandate of the Royal Commission on the Future of the Toronto Waterfront is based on the premise that in the public interest, federal waterfront lands and jurisdiction should, serve to enhance the physical, environmental, legislative, and administrative context governing the use, enjoyment, and development of Toronto's waterfront.

This Report, entitled Persistence and Change: Waterfront Issues and the Board of Toronto Harbour Commissioners, was prepared by staff of the Royal Commission. Its aim is to focus attention on issues that, over the years, have been associated with the Port and waterfront of Toronto. The Report examines the issues, in terms of both their history and the future, with a view to developing a broad perspective on the Port and, more generally, the Toronto waterfront.

Our report is not intended to be a definitive statement. We do hope that it will be regarded as the initial basis for further thought and discussion about waterfront issues in Toronto.

INTRODUCTION

In 1911, the federal government passed legislation to create the Board of Toronto Harbour Commissioners. The Board replaced the Harbour Trust, a body that had existed since 1850, but that had become virtually inactive prior to the turn of the century. The 1911 act gave the Board of Harbour Commissioners, which had been devised by the City of Toronto and the Toronto Board of Trade jointly, a sweeping mandate to manage the Port, provide facilities for shipping, and develop the waterfront in the public interest.

Toronto's Board is one of only nine such commissions in Canada and one of only two that were established by statute in their own right. Because the Constitution Act makes shipping, navigation, and public harbours matter in which Parliament has exclusive legislative authority, the Toronto Harbour Commissioners is an agency of the federal government. But Toronto's Board is the sole harbour commission in which the representatives of the Government of Canada are in the minority. The City of Toronto appoints three of the Board's five commissioners. The federal government appoints the remaining two, one on the recommendation of the Board of Trade of Metropolitan Toronto.

The decision to establish the Board of Toronto Harbour Commissioners (THC) was in response to a number of issues that, for some years, had been plaguing the operations of the Port of Toronto and the development of the city's waterfront: access to the waterfront, environment and health, the adequacy of port facilities, ownership, land use, and the accountability of public bodies with jurisdiction in operating the Port and developing the waterfront. Moreover, underlying those concerns was a widespread assumption that the waterfront was a public amenity which -- if no action were taken to control the kind, rate, and direction of development --could be lost to the citizenry of Toronto.

As much as any other factor, the activities of groups like the Toronto Board of Trade were important in drawing attention to what were widely regarded as the serious problems of neglect and decay in the Port and on the waterfront. Reform-minded civic and business groups also argued persuasively that existing organizations were unable to tackle Port renewal and waterfront development. The campaign for waterfront improvement in Toronto culminated in a strongly endorsed municipal referendum in the 1910 election calling on the City of Toronto, with the consent and co-operation of the federal government, to establish a new harbour agency.

The Board of Toronto Harbour Commissioners was an institutional solution to the problems in the Port of Toronto and on the waterfront; it directly involved key players in the operation of the Port and the development of Toronto's waterfront: the City, the federal government, and, representing the business community, the Board of Trade. Federal legislation conferred broad powers on the Commissioners "to acquire, expropriate, hold, sell, lease and otherwise dispose of such real estate ... as it may be deemed necessary or desirable for the development, improvement and protection of the harbour."

Those powers were rounded out with the authority not only to administer lands assigned to it in 1911, but to do so as well with property that might be transferred to its jurisdiction in future.

Despite important changes to the Port and waterfront in the years since 1911, the issues that led to formation of the Board of Toronto Harbour Commissioners have proven to be remarkably persistent and are as relevant today as they were in 1911. While some of the waterfront issues discussed in this paper are not exclusively within the mandate of the THC, they are important to the community as a whole and may, as a result, shape expectations of the Toronto Harbour Commissioners.

ACCESS

The viaduct and railway lands lie across the southern edge of downtown Toronto, south of Front Street from the Don River in the east to Dufferin Street in the City's west end. Despite the fact that the viaduct was constructed during the 1920s, it and the railway lands are relict features of another era in the city's history. Although the viaduct and the railway lands are north of what is considered to be Toronto's waterfront today, they are tangible reminders of the persistence of access to the waterfront as an issue.

The Railway Era, 1850 to 1909

In 1850, Sandford Fleming, who would be renowned as the inventor of standard time, wrote that the progress of Toronto was due to a significant degree "to the unequalled excellence of [the city's] harbour...." By the turn of the century, the value of the Port to the City's development was a more open question. The waterfront was called "...that wasteland south of the railway tracks...." Ships still came and went but the Port's contribution to Toronto's commercial vitality had declined sharply.

Part of the decline during the last half of the 19th century lay in the fact that both the Port and the waterfront had become increasingly inaccessible. As a result, they were less usable for commercial and industrial purposes. In the 1850s and 1860s, railway companies had laid track and established terminals right on what was then the city's waterfront. In fact, the entire area of The Esplanade had been gradually occupied by the railroads.

Before the turn of the century, every street leading from downtown Toronto to the waterfront and Port had a level crossing -- in some places as many as 16 tracks wide!

The railway companies themselves actively worked to sever traffic between the city and the waterfront by parking rolling stock at crossings. Frequent accidents drew attention to the fact that the crossings were not only inconvenient but dangerous. In 1889 a report to the City on planned expansion of railway facilities on the waterfront predicted that "if the waterfront... is controlled by the railways, it may reasonably be expected that the effect of this will be to repress and ultimately destroy the transport of freight by water."

To overcome the difficulty of reaching the Port and the waterfront, various civic groups, particularly within the city's business community, proposed the construction of a grade-separating railway viaduct. Needless to say, the railway companies were not enthusiastic about the project. They managed, by various means, to forestall efforts to obtain an order for them

to construct the viaduct, arguing that, through a series of agreements with the City, they had obtained the right to enter Toronto at grade.

When that argument begun to lose ground to public concern about access to the waterfront, they proposed constructing bridges across the tracks to join the waterfront and the downtown. The railway companies were concerned primarily about the prospect of renewed competition from lake carriers and about the expected large cost of building a viaduct and, therefore, did what they could to stall any orders to construct one.

A ten-day railway strike in early 1909 drove home just how dependent Toronto was on the railways for regional transportation and how few alternatives the city had to railway transportation.

The Viaduct, 1909 to 1930

Although, in 1909, the City had before it the tantalizing prospect of the kind of access to the waterfront that had not been available for almost half a century, it would be another 20 years before the viaduct would be completed. The prospect of better access meant that the City could contemplate rehabilitating the Port and, more generally, developing the commercial and industrial potential of the waterfront. But the City needed an appropriate agent if it was to reap the benefits of improved access by carrying out port and waterfront projects. The Board of Toronto Harbour Commissioners was proposed as the answer to that need.

In 1909, the Dominion Board of Railway Commissioners ordered construction of the viaduct; negotiations dragged on until 1913. During World War I, two of the railway companies, the Grand Trunk and the Northern, collapsed and the negotiation process had to start over with a new company, Canadian National, at the table. It would not be until 1924 that terms and conditions for building the viaduct would be finalized. Its construction would not be completed until 1930.

Creation of the Board of Toronto Harbour Commissioners brought a new player into the continuing struggles between the City and the railway companies. The Board, with its elaborate plans for port and waterfront development, particularly in the central and eastern central parts of the waterfront, needed access to its proposed improvements. As a major landholder and expected developer of industrial and commercial properties, the Board also stood to gain from improved access to the Port and waterfront.

At the same time, the THC needed the railway companies to continue to provide, if not improve, rail service to the waterfront. The plans for port

industrial districts in the Eastern Harbour Terminals and in the central waterfront, between York and Bathurst streets, incorporated sidings and rail links to facilitate the movement of freight in and out of the Port and the waterfront. Robert Gourlay, one of the first five Harbour Commissioners, reported to town planners in a speech about waterfront development in Toronto that the Board placed considerable emphasis on co-ordinating water, rail, public transit, and road transportation along the waterfront. He also indicated that the Board had decided to pursue a policy of what could be best described as friendly and co-operative competition with the rail companies.

Before, during, and after the construction of the viaduct, the Board's attitude of friendly and co-operative competition was frequently put to the test. At one point the Board moved to block the property acquisition plans of one railway company because of concerns about access and, according to one THC official, because it knew of the "railroad practice ... to lease land at low rates and establish lumber yards, coal yards, and scrap metal yards...."

The railway companies, for their part, had to contend with the Board's Port and waterfront development projects, which had significant bearing on their direct access to the water's edge. Even in the 1920s and 1930s, concerns about riparian rights on Toronto's waterfront were not a recent phenomenon: a series of cases, predating and following the establishment of the Board, argued the effects of waterfront development on and near Ashbridge's Bay. The question of whether or not Ashbridge's Bay was a navigable water turned out to be crucial in those cases. However, to the railway companies, which had facilities at the water's edge in the Central Waterfront, THC plans to shift the harbourhead line south in order to create new marine facilities, indisputably meant loss of both access and riparian rights. Thus, throughout the 1920s and 1930s, the Board and the railway companies were almost continuously negotiating over riparian rights issues.

Riparian rights, commercial considerations, and a sense of history were also, in a figurative sense, very much on the mind of the City of Toronto when it transferred ownership and control of its waterfront property to the Toronto Harbour Commissioners in 1912. In 1917 the City obtained an agreement from the Board not to dispose of any of the land it had transferred to the Board without express consent. There were several reasons for the City's action, access issues prominent among them. The 1917 agreement was clarified in 1924 and, at that time, it was noted in a Board of Control Report that: "... with these key positions controlled by the Harbour Commissioners there is no danger at any time in the future of extortionate tolls or charges being made by private interests to the public in general as applied to waterborne commerce."

The Island Airport

In the 1930s another waterfront access issue emerged in the Board's plans to develop air terminal facilities in Toronto. Of the eight sites the Board considered, three were on the waterfront. One of the sites, on the Toronto Islands, was located in an area that had been used for some aviation since World War I. The island site's major disadvantage was that it was not connected to the mainland. The two other waterfront sites, in the Eastern Harbour Terminals, were on the mainland and did not present the same access problem.

At one point in 1935, preparations were made by the Board -- and federal funds were committed -- for construction of a tunnel to overcome the difficulty of reaching the island airport site. At other points, construction of a bridge was also suggested. In the end, the problem of access was solved through the use of ferries.

One consideration in rejecting the tunnel in 1935 was cost, and the newly re-elected Prime Minister, William Lyon Mackenzie King, balked at the idea of following through on the financial commitment of his predecessor, R. B. Bennett, particularly because Toronto had not voted for King's party.

But the question of access to the Island Airport was not simply a matter of cost or the preferability of one means of reaching the site versus another -- what was really at issue was creation of a permanent link between the mainland and the Islands.

The question of building an airport on the Islands had been highly controversial in Toronto. In 1936, the mayor, Sam McBride, campaigned against the idea of both the Island Airport and construction of a tunnel. He had led earlier fights to prevent the Board of Harbour Commissioners from building a cross-island extension of Lakeshore Boulevard. McBride was an island cottager and wanted to save the character of the Toronto Islands and the rights, as he saw them, of the Islands' other residents.

McBride died in late 1936. Two years later, building began on the Island Airport; the cottagers were moved from Hanlan's Point to Algonquin Island. But McBride's legacy was an end to the idea of a tunnel to the Island Airport.

Public Enjoyment of the Waterfront

Public enjoyment of the waterfront, in a number of respects, is the access issue of longest standing. In the 1850s, the railways proposed entering the

city on the southern edge of The Esplanade, which was then a carriage way and promenade. The land and waterlots that formed The Esplanade had been granted by the Crown to the City on the condition that its development be used "to promote commercial interest and healthfulness of the City." In the 60 years between 1850 and 1910, the economic and financial interests of the various railway companies were well served by waterfront development. The "healthfulness" that public access to the waterfront was supposed to promote was simply not considered.

The Harbour Commissioners' 1912 plan seemed to reassert the idea that access to the waterfront was a matter for public enjoyment as much as for commercial or industrial development. The difficulty for the Commissioners was that access for public enjoyment of the waterfront, depending on the type of enjoyment being contemplated, would not necessarily yield the revenues the Board needed to finance its operations. Forms of access for passive recreation, in particular, and for other non-commercial activities, were problematic for the Board because they did not pay their own way.

The 1912 plan provided for a significant amount of open space in the eastern, central, and western waterfronts. But beginning in the 1920s, the Board pushed to reduce public access in the east central waterfront in order to expand the industrial and marine development potentials of the Eastern Harbour Terminals. Access for public enjoyment purposes in the east central waterfront was never entirely eliminated, as the continuing presence of Cherry Beach, which is operated by the City of Toronto, testifies. Other issues overtook any consideration of further public access in that area.

In the western waterfront, development of Sunnyside in the 1920s as a recreation and commercial amusement area served a number of important purposes: it drew attention to the contributions of the Harbour Commissioners to the city and the residents of Toronto and, most important for the Board, it made the western waterfront revenue producing. People went to Sunnyside primarily to enjoy its amusement park, hot dog stands, swimming pool, and boardwalk -- but not specifically because they were on a waterfront.

A similar situation existed in the Central Waterfront, at Maple Leaf Baseball Stadium, which was built at the foot of Bathurst Street on the waterfront in the same period as Sunnyside. People came to the stadium, which happened to be located on the waterfront, not <u>because</u> it was there. Both Sunnyside and Maple Leaf Stadium showed that access to the waterfront for public enjoyment did not have to involve the waterfront as much more than a location for an attraction.

Since the beginning of the 1960s, changing patterns of land use have rekindled interest in and concern about access to the waterfront for public enjoyment. The decline of some Port industries and the departure of some activities have meant that areas previously closed to the public for safety and other reasons can once again be used for public enjoyment. But the fact that areas are accessible has not resolved questions about what constitutes access for public enjoyment and how that can be best satisfied in the face of contending uses of Port property and waterfront lands.

When the Board of Harbour Commissioners was first formed, the issue of access was simply one of being able to reach the waterfront; the waterfront, after all, had been virtually inaccessible since the turn of the century. The battles the Board and the City fought with the railway companies over viaduct construction resulted in the waterfront becoming, literally, accessible as traffic moved easily in and out of the waterfront.

Beginning in the 1930s, access issues took on very different meanings. They assumed far greater complexity; for example, access to the Island Airport was tied to the issue of a permanent link to the Islands. In a number of instances, the issue of access involved the ability of individuals and organizations to exercise rights they enjoyed by virtue of owning property that contained or was adjacent to the water's edge. In still other cases, the issues of access involved the ability of individuals to enjoy the amenities and intangible characteristics of the waterfront.

Current and Future Issues

At the present time, three separate but related sets of access issues appear to be most relevant for both the waterfront and the Harbour Commissioners. The three are:

access to and from the Port and waterfront for industrial and transportation purposes;

public access to the Port and industrial areas of the waterfront; and

access to marine, recreational, and other public facilities on the waterfront.

The Port and waterfront are served by four modes of transportation -- road, rail, water, and air -- each responding to a variety of client needs and markets. But there are pressures on all four: road and rail access will be affected by proposals to modify the Gardiner Expressway and Lakeshore Boulevard. The development of St. Lawrence Square and the opening of

the SkyDome will have implications for the local road network, increasing traffic and, potentially, affecting access to the waterfront's Port and industrial areas.

At the same time, the Harbour Commissioners are calling for Port development that would include improvements in both road and rail access. The railway companies, for their part, are considering their future on the waterfront. In the near future, some or all of the freight operations located on the waterfront could be shifted north of Metropolitan Toronto. And, of course, there is the Island Airport.

The Royal Commission has already heard a great deal about the issue of access to the airport and how the needs of air travellers could be better met by improvements to the facilities at the Island Airport terminal.

A number of questions arise from these concerns.

What should be the transportation access priorities for the Port and the waterfront?

What are the most immediate needs for access and how should these be met?

How should present and potential conflicts between the transportation needs of various users of the Port and waterfront be resolved? Are existing mechanisms adequate or should new ones be devised?

What role should the Harbour Commissioners play in both planning and providing access to the Port and waterfront for transportation purposes?

Businesses and other direct users of waterfront transportation facilities are not alone in having an interest in access to the Port and industrial areas: the general public has an interest as well. There are those who want to watch the working Port, as well as those trying to reach areas such as Cherry Beach, which are located within the Port and industrial areas of the waterfront. In light of public concern about access to the Port and industrial areas of the waterfront, there are several relevant questions that should be asked.

How can the needs of commercial interests and the public be balanced to ensure that both have appropriate access to the Port and industrial areas of the waterfront?

Is current access to areas such as Cherry Beach and Tommy Thompson Park sufficient and, if not, how should it be improved?

Are there ways to improve such facilities as the Martin Goodman Trail?

What role should the Harbour Commissioners be playing to improve or promote waterfront access for the general public?

In their 1912 plan, the Harbour Commissioners recognized the recreation potential of the waterfront. There is even greater pressure today to open the waterfront to various forms of recreation. The different types of potential recreation, and the issues that arise in connection with those different types, will be considered later in this discussion paper. For the moment, it is necessary to consider whether or not various arrangements for waterfront access serve the recreational needs of the public and other users of facilities located on the waterfront.

The issue of access is made more pressing by the potential for developing new facilities on the waterfront. The Harbour Commissioners, for example, are in the process of constructing a huge new marina on the Leslie Street Spit, which could provide berths for as many as 1,200 boats. It could also accommodate "boatominiums" -- year-round residences on the water.

Providing access to such a facility could have important implications for nearby industries and would affect the natural habitat that is developing on the Leslie Street Spit. A significant increase in recreational boating also could affect the lake-ward accessibility of the Port for commercial marine shippers.

There are, as well, the issues that surround private recreational facilities on the waterfront: their presence results in some restrictions on the access of the general public to specific waterfront locations. The question is then how to balance the interests both of the users of private facilities and of the general public users of waterfront amenities. There are several questions related to waterfront access for recreation.

Is access to the waterfront for recreational purposes being well met and, if not, how can it be improved?

Will significant improvements or changes in access patterns be required for some areas and, if so, what are the implications of these changes?

Are the needs of recreational and commercial users of the Port being appropriately met? How should access be dealt with, if it becomes a problem for one or both types of users?

Is there an adequate balance between the interests of users of private waterfront recreational facilities and those of the general public? If new private facilities are proposed, should new mechanisms for balancing interests be considered?

What should be the role of the Board of Toronto Harbour Commissioners in operating existing recreational facilities and developing new ones on the waterfront?

ENVIRONMENT AND HEALTH

It would be fair to say that, at the turn of the century, Toronto was facing an environmental and public health crisis on its waterfront.

Ashbridge's Bay

By 1900, Ashbridge's Bay had become little more than a dumping ground for industrial, human, and animal wastes. The condition of the bay was part of a larger problem that had long affected the waterfront of the city. During the 1850s, Kivas Tully, who remained a prominent engineer in Toronto well into the 20th century, was called into examine the problem. It was easy enough for Tully to detect the main source of the trouble: the city's sewers emptied directly into the harbour and, in 1850, Tully estimated that the daily volume being dumped was 283,000 cubic metres (two million cubic feet) --12.19 tonnes (12 tons) of waste. Conditions were made worse by the annual flow of silt from the Don River into the harbour.

Dealing with the environmental and health problems that Ashbridge's Bay presented was a matter of some urgency for the City. Tully had a straightforward solution: reclaim the bay. Filling it, according to Tully, would remove the "source of ... endemic diseases" such as cholera, and would convert "what is now a positive evil ... into a benefit and a profit to the city".

Nothing, however, was done in response to Tully's suggestion, and conditions on the waterfront and in the harbour continued to deteriorate during the last half of the 19th century.

Ironically, part of the deterioration was due to efforts aimed at controlling conditions that were affecting the harbour: in the 1880s, James Eads, a prominent marine engineer from the United States, had recommended that a breakwater be built across the mouth of Ashbridge's Bay in order to prevent "communication between the harbour and ... bay." The breakwater was built and part of the Don River's flow was diverted into the bay, to reduce the amount of silt entering the harbour.

Gooderham and Worts, then, as now, a major distiller, had cattle barns located on the edge of Ashbridge's Bay, south of Eastern Avenue. Waste from the barns flowed directly into the bay. The City control projects and the use of Ashbridge's Bay as a sewer outfall created a stagnant body of water which, as the years passed, grew increasingly unsanitary and became a greater and greater health threat.

By the beginning of the 1890s, the City's Board of Health could no longer ignore the situation. It began an active campaign to spark a clean-up of the bay. In 1892, the provincial Board of Health became involved and ordered the City to take measures to reduce the health hazards posed by conditions in Ashbridge's Bay.

Throughout the early 1890s, various private proposals for dealing with the environmental and health problems at Ashbridge's Bay were the subjects of lively civic debate. There was even a referendum on one plan, approved by ratepayers in 1891, but the City chose to ignore the results of the referendum for reasons unrelated to the issues at stake. In late 1892, City Council finally adopted a plan that had been developed by its own engineer, E. H. Keating; its elements included drainage, reclamation, and the diversion of the Don River.

Work to implement Keating's plan for dealing with conditions in Ashbridge's Bay was stalled almost from the beginning. Sewage system improvements needed to support it did not begin until 1908 and were not completed until 1913. Area property owners were particularly concerned because the plan entailed a loss of access and infringed their riparian rights. It was against this backdrop of concern about non-health issues and inaction on an increasingly serious environmental problem that the campaign to establish the Board of Toronto Harbour Commissioners was launched.

Environmental and health concerns may not have been among the primary reasons for the formation of the Board, but they were nonetheless pertinent to the Board's waterfront development and Port rehabilitation plans. The President of the Board of Trade put the construction of a trunk sewer line in the same category of importance for waterfront development as deepening the harbour for navigation purposes. Environmental and health problems would be dealt with by reclaiming the most unhealthy areas on the city's waterfront through land and lakefilling operations. As part of the development process, infrastructure would be built to cope with industrial waste and the sanitary needs of expected waterfront development projects.

Lakefilling

From the time the Board was first established, lakefilling for the purpose of creating real property was seen as a solution to environmental and health problems on the waterfront and in the Port. Lakefilling itself was assumed to neither contribute to nor create environmental and health problems.

There is little evidence that environmental and health considerations related to creating and developing real property were ever given much attention by the Board. But lakefilling would have tremendous bearing on

the quality of Toronto's waterfront environment. (It wasn't until 1975 that the Board undertook a study of dredging and only in 1977 that it released an environmental monitoring study of the Leslie Street Spit.)

Moreover, no land development project of the THC has ever been subject to a formal environmental assessment by the provincial government. Recent concerns about the characteristics of the materials used to create the Leslie Street Spit, and the effects of the Spit on the quality of the water surrounding it, indicate that the issue remains largely untouched by agencies that could enquire into environmental and health matters -- provided they had the interest or will to do so.

Industrial Development

In contrast to the apparent lack of concern about the effects of creating land, industrial development did generate concern about environmental consequences. That concern stemmed from the expectation that developing Ashbridge's Bay would enable Toronto to attract to its waterfront the same kinds of industries that had located on Hamilton's waterfront. Proponents of heavy industry for Ashbridge's Bay argued that the benefits of such development would be great: jobs and revenue from land sales and property taxes.

But in mid-1911, the city's press began to question the appropriateness of locating heavy industry in an area so close to the downtown. The Globe predicted that sawmills and steel mills would scar the character of the waterfront. The Telegram worried that industrial development would fill the downtown with smoke. Even one of the Harbour Commissioners, Robert Gourlay, admitted to being concerned about obnoxious industries on the waterfront. He made it clear that, in the Board's view, "in the case of industries that call for a great deal of smoke or gases, they should not locate on this area except under the most modern conditions. The health of the citizens will be the first consideration."

The concern about the environmental consequences of heavy industry development in Ashbridge's Bay soon petered out. Both the City and the Board of Harbour Commissioners considered it simply more important to have industry and jobs than to worry about the environment. Furthermore, it made little sense to place obstacles in the path of the relatively little industrial development occurring on the entire waterfront during the 1920s and 1930s.

Sewage and Waste Disposal

Waterfront development was also intended to deal with wider regional environmental and health issues. In originally transferring land and waterlots to the Board, the City of Toronto had reserved to itself the right and option to construct sewage treatment facilities at the eastern end of Ashbridge's Bay, a stipulation that was always a sore point for the Board of the Toronto Harbour Commissioners. It felt that the land the City wanted to reserve for itself was well within the area that was best suited and most lucrative for industrial development.

As early as September 1912, the Board was arguing with the City about shifting the site of any future sewage disposal plant farther east. The City rejected the Board's arguments on the grounds that neither the Harbour Commissioners nor the City needed all of the property the Board planned to create out of the reclamation of Ashbridge's Bay. In turning down the request, the City's Commissioner of Works, R. C. Harris, said: "I feel absolutely certain that by the time the Toronto Industrial District is developed as far east as Morley Avenue, the students of sewage disposal and purification will have at that time devised some more economic method of disposition of sludge."

In due course, a sewage plant was built. Metropolitan Toronto's main sewage treatment facility fills the entire eastern end of what was to have been the harbour industrial district. In addition, the City of Toronto built its Commissioner Street incinerator plant on a block of property in the middle of the district and its main pumping plant just north of the remnant of Ashbridge's Bay. The waterfront is still a dumping ground for Toronto and, now, for the larger metropolitan area.

There are no longer cattle barns adjacent to the waterfront and the other factors that produced environmental and public health crises earlier in this century should be under control because sewage treatment facilities are in place. However, Toronto's beaches are closed annually because of high fecal coliform counts in adjacent waters. The sources of this waterfront pollution are well known and easily documented: there is agricultural run-off from farming areas north of Metro that feeds into the Don River. There are non-conforming residential sewage connections along the Don and illegal sewage outfalls. Sewage treatment plants are overloaded, especially when they are must carry high volumes of storm water run-off.

Corrective work to improve conditions on the waterfront has been painfully slow and has been characterized by governmental finger-pointing when it comes to taking responsibility. The result is that raw sewage increasingly contaminates Toronto's beaches every year.

The annual beach closings have made it relatively easy for all governments and agencies with an interest in the waterfront to focus on the problem of raw sewage. However important this focus, however, it diverts public attention from other key environmental and health dangers posed by other pollutants.

Water Quality

In the matter of water quality, a far more insidious threat to public health and the environment is posed by the discharge of non-bacterial, toxic pollutants into Lake Ontario. Like the sewage problem, these discharges may occur some distance from Metro and still be carried to Toronto's harbour by rivers and patterns of lake water movement. There is often a direct discharge of industrial effluent through municipal drains; in some cases, the discharge is illegal or occurs as an accidental spill. In other cases, however, the discharge has been sanctioned and is permitted by a municipality.

Highly toxic material is also found in household waste: flushing old paint or paint cleaners down the toilet or dumping waste motor oil or gasoline down storm drains contributes to toxic build-up as surely as any industrial spill. Sewage treatment processes are as little able to deal with these pollutants, which have their origins with well-meaning citizens, as they are able to handle the discharges of major industries.

Much has been made, as well, about the lack of separation between Toronto's storm and sanitary sewer systems, but it makes little difference whether the drain receiving the effluent is a storm or a sanitary sewer. In either case, the effluent ends up in a sewage treatment plant that was simply not designed to deal with liquid industrial waste. As a result, the toxic pollutants are largely passed through the plant and discharged directly into Lake Ontario.

Extensive lakefilling has raised the spectre of toxic leachate from the lakefill into the surrounding water. Airborne particulate matter and noxious gases also find their way into the water where some recombine to form additional pollutants.

The effect on human health of dumping raw sewage into water is immediate and readily identifiable in fevers and ear, nose, and throat infections. The effects of other toxic pollutants are not so quick or obvious: some are retained in the system and take years to reach a critical peak. Others are accumulated in the food chain and, similarly, take some time to

act. When they do, the results are generally cancers of various types, developmental disabilities, and birth defects. The price paid in public health is both more devastating and, in some cases, fatal.

The pollutants in our water today are different from those identified at the turn of the century; but, whatever the particular kind of pollutant, their very presence continues to pose key questions about the use of our waterfront.

What is the impact of current water quality on the environment and health of the public?

What uses are appropriate on or near a given body of water, given its quality?

Finally, could the Board of Toronto Harbour Commissioners play a role in developing possible solutions for water quality concerns?

Soil Quality

Environmental problems in the Port must not be limited to concerns about water quality: the quality of soil is also important.

Much of the Port area and the lands controlled by the Toronto Harbour Commissioners, which have been created by lakefill, have also been the sites of various heavy industrial uses; it is possible that waste and industrial by-products stored on those properties have seeped into the ground. The quality of the lakefill used over the years, the degree to which its contents have been known and controlled, and the nature of successive industrial uses, all combine to raise serious questions about the likelihood of toxic pollution in the soil in the Port and the surrounding area.

What should be done to deal with this problem? Should soil be removed?

If so, where should the material be sent? Or should it be left where it is? In that event, what restrictions on land use are appropriate?

Air Quality

Air quality must also be considered. The quality of air in the Port and waterfront area is generally a reflection of conditions in Toronto as a whole; but it is important to take into account local patterns of air movement and

sources of emissions in the Port and waterfront area that can and do contribute to air pollution.

In some instances, the problem may be an unpleasant smell, as in the case of the Ashbridge's Bay sewage treatment plant. The problem may involve too much of a good thing, which is the case of the soapy smell exuded from the Lever Brothers' plant just north of the Gardiner Expressway at Broadview Avenue. Or the threat to air quality may come from toxic pollutants that are dangerous to human health: lead and nitrous oxide emissions from exhaust fumes on the Gardiner Expressway and Lakeshore Boulevard are prime examples of highly dangerous threats to air quality on the Toronto waterfront. Air quality and its impact on public health must also be criteria when decisions are made about land use in the Port and harbour area.

Should certain land uses in the Port and harbour area be limited or prohibited altogether?

Are there alternatives that would improve the air quality and, if so, what is the likelihood of their success?

How do industries in the Port and harbour area contribute to the ambient air quality there?

Are there types of operations that are or might be located in the Port that are inappropriate near or adjacent to a residential area or recreational facility? For example, could the high dust and particulate matter levels associated with a handling facility for aggregate materials pose direct health threats to seniors, children, or adults with breathing problems and allergies?

Noise

Finally, there is the question of noise pollution: residential neighbourhoods need some quiet both in the daytime and at night. Daytime noise levels should also be compatible with school environments, outdoor play, and other normal residential activities. Because the operations of many industries are extremely noisy, the traditional planning solution has been to separate them from residential uses.

Should industries that would be too noisy elsewhere in the city be confined to the Port area?

Would this mean that there should be no residential uses in the Port and harbour area?

Are there alternatives for certain industrial operations that would make them quieter?

Noise problems do not originate only with industry: entertainment districts, with their clubs, bars, and restaurants, often produce noisy late-night patrons and music that reverberates easily off building walls and water. Office and commercial areas produce peak traffic problems, with attendant noise, and often require that equally noisy services as garbage collection be done at night.

Under the circumstances should control measures, just as stringent as those that are or could be applied to industry, be developed to apply to non-industrial sources of noise? Is there a case, on the other hand, for greater flexibility with non-industrial noisemakers and, if so, how should that flexibility be achieved?

Health and environment issues in the Port and on the waterfront involve questions of quality, improvement, and compatibility among existing and proposed uses.

In the current atmosphere of increasing concern about health and environmental issues, what should be the role of the Board of Toronto Harbour Commissioners?

How can it contribute as an organization to resolving health and environmental issues?

How can its activities contribute to that process?

THE PORT

The poor condition of Toronto's Port and the depressed state of lake shipping were among the major reasons that business and civic groups initially agitated for the formation of a new agency to replace the existing Harbour Trust. It was believed that a new institutional arrangement for managing the Port could cut through the conditions holding back development of the Port and its potential usefulness to the commercial life of the city.

In the years since, the Port has remained a key driving force in the activities of the Toronto Harbour Commissioners. The Board's mandate, after all, explicitly charges it to do "what may be deemed necessary or desirable for the development, improvement, and protection of the harbour."

Port Conditions

Over the years, railway development and neglect combined to seriously impair the ability of the Port of Toronto to receive and ship freight. With poor and declining access, there was little impetus to maintain -- let alone to improve -- the harbour. Even after the Commissioners had arrived on the scene, shipping volumes through the Port were small by comparison with the amount of freight that arrived annually by rail. In 1913, 406,420 tonnes (400,000 tons) of freight passed through the port. In the same year, 5,080,250 tonnes (5,000,000 tons) arrived by rail.

Nor had civic authorities shown themselves particularly able to maintain the harbour, despite the fact that considerable sums were being spent on it. The build-up of sediment in the harbour, the result of silt and sewage being carried into Toronto Bay by the Don River, was a significant problem that neither the City nor the Harbour Trust could manage. The general lack of attention to the harbour, which stemmed from poor access, also resulted in little effort being spent on finding permanent solutions to the problem of sedimentation in the port.

Changes in Toronto's economy were also important factors in the declining condition and significance of the port. In the middle of the 19th century, timber and grain trades had flourished in the city and dominated the Port and waterfront. Toronto's hinterland was rich and the Port was well-placed to serve as an outlet to international markets. But as Toronto's economy shifted from resource-based to industrial, the transportation needs of the city changed and it was the railways that were well positioned to respond to those changes. Harbour development was either non-existent or too slow, leaving lake shippers with little to contribute to the process of

economic change. The fact that the Northern Railway's grain elevators on the waterfront, which burned to the ground in 1908, were not replaced was a significant comment on the deteriorating relevance of the Port to Toronto's economy.

At the same time, some people, particularly in the city's business community, believed that a corner would eventually be turned and the Port would once again flourish. Despite an element of civic boosterism in the claims that Toronto enjoyed "unequalled advantages for cheap freight by lake..." it was not an entirely vain or misplaced hope. The trickle of grain from Western Canada, which had amounted to fewer than 203,000 tonnes (200,000 tons) in 1890, was a flood of almost 607,000 tonnes (600,000 tons) in 1910.

Waterborne traffic through the country's major canals had leapt from less than 6,000,000 tonnes (5,000,000 tons) in 1900 to nearly 44 million tonnes (43 million tons) in 1910. Because Toronto sat on the routes for this burgeoning flow of traffic, the city's boosters saw little reason to doubt that Toronto would profit from the expansion in waterborne traffic.

Equally significant with the greater volume of traffic was the expected construction of new facilities that would expand water traffic even more. The late 1890s saw the birth of the "canals to the sea" movement in Canada: the federal government was repeatedly urged to widen and deepen the St. Lawrence River canal system and expand the locks through the Niagara Peninsula at Welland. In the period just prior to the establishment of the Harbour Commissioners, the federal government was expected to begin these projects at any time.

The shallowness of Toronto's harbour was an impediment to increased traffic and connections with the expected new canals and locks on the St. Lawrence and at Welland. Therefore, deepening Toronto's harbour to 4.27 metres (14 feet), supposedly the depth of the new marine facilities on the St. Lawrence and at Welland, became an urgent matter. But, rather than treating a deeper harbour as a matter strictly of benefit to Toronto, the city's Board of Trade argued that in the "new era of fourteen foot navigation it becomes us ... in dealing with the harbour of Toronto to be guided by ... [a] larger consideration [of] the trade of our country, and the future growth and prosperity of our city."

Competition

There was, as well, the City's ongoing struggle with the railways. The issue of access to the waterfront had its roots in a concern about lake carriers as a reasonable transportation alternative, and not just an effective

competitor to the railways. Similarly, interest in the harbour was a reflection of the view that conditions in the Port were so poor that, even with good access -- which was lacking -- lake carriers could not hope to compete with the railways for traffic. Once again, the Board of Trade grasped the nub of the issue by saying that:

> The importance of the harbour to the present and future trade of the City is immeasurably increased. In this every citizen, whether he does, or does not himself use its facilities is personally interested in the increasing volume of the trade which may be done on the waters of the Harbour itself, and still more in governing the Rates of the Traffic which is carried by Rail in which it vitally affects the advance of the City as a prime manufacturing and Distribution Centre.

In its insistence on the need for Port improvements, the Board of Trade had a staunch supporter in the publisher of The Telegram. John Ross Robertson had a deep antipathy to the railway companies; furthermore, like the members of the Board of Trade, he believed that Toronto's potential for commercial expansion and its future as a centre of finance and industry were closely tied to the ability of the city's business community to control transportation networks. In Robertson's view, it was unfortunate for Toronto that the major railway companies were all based in Montreal, the city's chief rival for Canada's economic leadership.

In Robertson's mind, lake shipping was important because it could compete with rail transportation. But shipping was not a significantly workable alternative because of the condition of the Port. Without an adequate port, lake shippers could not compete with the railways. Montreal's business community, by virtue of its control of rail transportation, would dominate Canada's internal trade and foreclose any possibility that Toronto could become Canada's economic capital.

Robertson used the pages of his newspaper to promote the cause of waterfront development. He focussed public attention on what he termed the "City's Shame and Disgrace." Toronto might have a picturesque harbour but, according to Robertson, it was poorly equipped to serve the needs of a city aspiring to a loftier position. Moreover, there were an increasing number of accidents and of incidents of ships running aground in the harbour. In other words, according to Robertson, Toronto's harbour was not just ill equipped, it was also earning a reputation as a place to avoid if at all possible.

The 1909 order to the railways to build the viaduct seemingly broke the log-jam to waterfront development. It also created a set of circumstances in which the rehabilitation of the Port seemed sensible and only the lack of an

appropriate agency was an impediment. The business community's feelings about the abilities of existing agencies being clear, its enthusiasm for creation of the Board of Toronto Harbour Commissioners was hardly surprising.

Early Port Plans

In the year after its creation, the Board produced what was then commonly referred to as the 1912 plan. The plan presented a comprehensive set of proposals for the entire waterfront, encompassing a broad range of land use possibilities for the area.

The Eastern Harbour Terminals were the Board's first priority for development; 10 years after publication of the Plan, the THC's chief engineer, Edward L. Cousins, said that the Board's principal objective in 1911 was to "... provide Toronto with an improved harbour and transportation facilities, coupled with ample provision for the industrial and commercial expansion of the City."

Port and water-oriented industries could locate on the property created by the reclamation of Ashbridge's Bay. The Plan's projected design for the Eastern Harbour Terminals would simultaneously address the issues of public health and public access to the waterfront. The clear intention was to develop, through reclamation, a truly multi-functional area.

The priority the Board gave to the development of the Eastern Harbour Terminals made sense because the City and the Board already owned most of the land and waterlots in the area where they were located. The Board's objective of creating Port facilities and related waterfront industrial property would be most speedily realized at Ashbridge's Bay. Viaduct negotiations and a multi-party formal agreement in 1913 reinforced the attractiveness of the Board's concentration on the eastern waterfront. As a result of the agreement, the Board obtained ownership of the land and waterlots it did not already own between Yonge and Cherry streets. Because the area adjoined Ashbridge's Bay, the Board's ownership of it made an integrated plan for the eastern waterfront feasible.

The waterfront west of Yonge Street, with the exception of the short stretch between Yonge and York streets, presented a different set of issues and problems: in that area, railway development encroached on the water's edge, leaving little available space and making new marine development difficult. The Canadian Pacific Railway asserted a riparian right by virtue of a perpetual lease of the land adjacent to the water's edge between York and John streets. The Grand Trunk asserted its riparian right on the basis of its ownership of all the land on the waterfront from John Street to Bathurst

Street. Although the 1912 Plan showed extensive Port development plans for the waterfront west of Yonge Street, ownership patterns on the waterfront in the first years of the Board's existence made immediate action impossible.

Once the riparian rights of the railway companies had been transferred to the Board, the Commissioners' solution to development in the central harbour area was to create what amounted to a new port. The harbourhead line was extended 339 metres (1,100 feet) to the south, between Bathurst and Yonge streets.

The Board had contemplated moving the harbourhead line a much shorter distance, but underlying rock would have made excavation far too costly. Therefore, it was decided to extend the waterline south and, in the process, create almost 81 hectares (200 acres) of property. That decision brought to fruition the Commissioners' plans for development of what, in 1921, they began to call the Inner Harbour.

World War I accelerated development of the Eastern Harbour Terminals. The area gave the City sites for war-related industrial production and also provided it with a new bulk cargo handling area. The pace of development, however, was not sustained: immediately after World War I, activities levelled off, as much in response to the cooling down of Toronto's overheated wartime economy as to anything else. But, by the mid- 1920s, the Port was moving to a firmer commercial footing, with cargo tonnages climbing steadily from 406,000 tonnes (400,000 tons) in 1913 to almost 2.5 million tonnes (2.3 million tons) in 1932.

The difference was that, at a time when there was an increased demand for coal as a home heating fuel, the Port was handling a higher percentage of the coal being used in Toronto: when the Commissioners began their work in 1912, the Port handled approximately five per cent of the total amount used annually in the city; by the 1930s, with the Welland Canal open and cheap coal coming to Toronto from Pennsylvania, the Port was handling almost half the city's coal. In the 1940s and 1950s, when use of coal for home heating purposes was declining, the drop was reflected in bulk cargo tonnages in the Port.

Elsewhere on the waterfront in the 1920s, other Port facilities were being constructed to take advantage of increasing tonnages of general cargo. Canada Steamship Lines opened new docks on the lakefront between Bay and Yonge streets; the Toronto Grain Elevator Company and Canada Malting Company began construction of elevators at Peter and Bathurst streets.

The Outer Harbour

The idea of an outer harbour for Toronto was first raised in 1914, not by anyone connected with the Board, but by a commentator on the Commissioners' 1912 plan. The Board did nothing immediately with the idea. But repeated references in the 1920s to the area between Cherry and Bathurst streets as the Inner Harbour suggests that the idea of an outer harbour, as a distinct and separate entity, had taken root. By the mid-1920s, the Board had begun to consider revising its 1912 plan. In 1928, for the first time, it explicitly referred to an outer harbour located between the Eastern Channel and Leslie Street.

Proposals for an outer harbour appeared on two subsequent occasions. In early 1931, The Toronto Star said that the Board would soon build a new harbour for the city, and even published a sketch of it. In 1948, development of an outer harbour was among proposals the Board offered to the federal government as a means of sustaining economic growth in Toronto in the post-war period.

Despite the fact that tonnages were increasing, there is no evidence to suggest that proposals for an outer harbour in the 1920s, 1930s, and 1940s were substantively related to the needs of traffic in the Port of Toronto. Federal officials rejected the idea in 1936 because existing facilities were not being fully utilized; they rejected it again in the 1940s because the need was not urgent. The federal government placed a much higher priority on upgrading Port facilities between Yonge and Parliament streets, particularly because of the expected construction of the St. Lawrence Seaway.

Interest in an outer harbour, from the 1920s until it became a reality in the 1960s, bore little relationship to Toronto's transportation needs. Rather, it was based on the way the idea of an outer harbour fit into the Board's goal of fostering industrial development on the waterfront. Furthermore, the Board wanted to use an outer harbour as a means of keeping its land use options as open as possible. Edward L. Cousins, the Board's long-time chief engineer and the author of the early outer harbour proposals, summed up the prevailing sentiment within the THC in 1931 by saying that:

> The harbour commission has always laboured under the liability of its name. It should never have been created as a harbour commission. That was a misnomer. It should have been called an industrial and commercial development commission or some such name. No sane man would have spent $25,000,000 ... on Toronto's ambitions to be a lake port.

Cousins had said as much even earlier; the Board's main objective, according to Cousins, was to create industrial land at a cost of $45,000 a hectare ($20,000 per acre) and, in the process of developing industrial property, make Toronto the greatest manufacturing centre in the Commonwealth. Port development, for the most part, was relevant only insofar as it supported the Board's industrial development goals.

The Seaway

In the early 1950s, the Board did begin to pay somewhat greater attention to the transportation function of the Port. This change was in anticipation of the opening of the St. Lawrence Seaway. The Board embarked on an ambitious program of expanding Port facilities by building marine terminals in the central area of the waterfront and in the Eastern Harbour Terminals. Between 1952 and 1960, the Board increased the city's dockage facilities to 17 km (10.5 miles). The Commissioners also encouraged the Terminal Warehouse Company, a private warehouser of domestically shipped goods, to expand its facilities.

In the mid-1960s the Board added to its cargo handling facilities with the opening of Marine Terminal 51. In 1969, Torport was opened, making Toronto one of the first ports on the Great Lakes to have a specialized container handling facility.

When the Seaway opened in 1958, Toronto's volume of direct overseas shipping was somewhat less than 304,000 tonnes (300,000 tons). In 1959, the first full year of the Seaway's operation, direct overseas tonnage jumped to more than 711,000 tonnes (700,000 tons). Cargo coming into the Port included automobiles from West Germany, machinery from Great Britain, and the first large shipments of French wine to Toronto.

However, the growth that marked the opening of the Seaway was not sustained in either the direct overseas component of Port traffic or in the total volume of cargo being shipped in and out of the port. Tonnage peaked in the 1960s and began a decline that has not been reversed. In 1963, the Port of Toronto handled 6.6 million tonnes (6.5 million tons) of cargo. By the early 1970s, the total was down to 3.6 million tonnes (3.5 million tons).

Changes in shipping technology and marine terminal operations, competition from other forms of transportation, federal transportation regulatory policies, and declining demand for bulk commodities such as coal all played a role in the decline in traffic through the Port of Toronto.

Traffic trends notwithstanding, the Harbour Commissioners revived the idea of an outer harbour in their 1968 plan, A Bold Concept for the Redevelopment of the Toronto Waterfront. In the Commissioners' words the goal of Bold Concept was to open up "a new era for major Port development and use." Federal officials, however, were not impressed with the proposal; in 1969 they concluded that the:

> present harbour facilities as well as the present channels of access to the inner harbour are sufficient to serve the needs of navigation at Toronto for the next fifteen to twenty years.

When those comments were made, cargo passing through the Port totalled some 6.4 million tonnes (6.3 million tons). Today the total volume of traffic moving through the Port of Toronto is approximately 2.03 million tonnes (two million tons).

The Port of Toronto in a National Context

There are some 350 commercially oriented ports in Canada. Of that number, between 40 and 45 can be classified as major commercial entities, varying in the size and complexity of their operations. The major commercial ports of Canada fall into three categories.

Major international ports: Vancouver, Montreal, and Halifax are examples of international ports. They are a factor in the world movement of containers, bulk commodities, and general cargo. In 1988, Vancouver handled the inward and outward movement of 71 million tonnes (69.9 million tons) of cargo. Montreal handled 22 million tonnes (21.6 million tons) while Halifax handled 16 million tonnes (15.6 million tons).

Major national ports: Nanaimo, Thunder Bay, and the Port of Quebec are nationally important ports. In general, Canada's major national ports serve as export points for Canadian products. In 1988, Nanaimo handled two million tonnes (1.96 million tons) of cargo. In the same year, Thunder Bay handled 17 million tonnes (16.7 million tons), while Quebec City handled 18 million tonnes (17.7 million tons) of cargo.

Regional ports: this group includes such ports as Goderich, Ontario; Trois-Rivières, Québec; and Stephenville, Newfoundland; they serve regional markets or, in some cases, a small number of major port users. In 1987, Goderich handled two million tonnes (1.96 million tons) of cargo, Stephenville handled 165,000 tonnes (162,360 tons), and Trois-Rivières handled two million tonnes (1.96 million tons) in 1988.

The major commodities handled at Canadian ports include grain, iron ore, coal, sulphur, potash, petroleum, and forest products. General cargo includes both consumer goods and industrial products moving into and out of the country using both container and non-container methods.

From 1982 to 1988, traffic through the Port of Toronto, on an annual basis, ranged between 1.8 million and 2.1 million tonnes (1.78 million to two million tons). The major cargoes moving through the Port included grain, salt, cement, machinery, soya beans, iron, and steel. During the same period, container traffic through the Port ranged from a low of 1,500 TEUs (Total Equivalent Units) or 18,000 tonnes (17,700 tons) to a high of 4,300 TEUs or 52,000 tonnes (51,000 tons).

Port traffic statistics for Toronto show that cargo unloadings, by comparison with outbound shipments, account for a significantly higher portion of the total volume of traffic. These data indicate that the Port serves a definite, but limited, role for local industry. Commodities handled in the Port are not among Canada's major imports or exports and, as a result, do not figure strongly in the pattern of Canada's international trade. Nor does the Port of Toronto trans-ship the bulk commodities that traverse the St. Lawrence Seaway or play a major role in the intermodal shipment of containers.

A number of Port terminals are not serving water- dependent or water-related purposes. For example, one of the docks in the Eastern Harbour Terminals is being used by George Brown College as a training site for students learning to drive transport trucks. Other Port sites are clearly in a transition process, awaiting decisions about the future direction of the port.

All ports undergo change and the Port of Toronto is no exception; the sources of change, of course, vary from port to port: what is significant in one port may, in another, be relatively unimportant. In Toronto's case, most recently, unprecedented growth in the metropolitan area appears to be creating a high level of pressure for alternative uses of the waterfront. This pressure from urban growth is combining with other long-established factors that stem from changes in technology and shipping patterns. The result is to further alter the nature of the relationship between the city and its port.

Future Directions

Change and the potential for change in the port's functions raise many questions for those responsible for the overall development of Toronto's waterfront. Several questions are triggered by asking, first:

How will the traditional function of the port, which involves the transfer of cargoes between marine- and land-based transportation, fit in with the waterfront of the year 2000?

Once that becomes clear, the other questions are:

Is the Port commercially viable and will it provide necessary transportation in and out of Toronto over the longer term?

What are the long-term physical requirements of the Port of Toronto for waterfront space and marine terminals?

Can the Port compete with other users or potential users and hold onto space on the Toronto waterfront?

How dependent are local industries and businesses on the Port of Toronto and what is the relationship of the Port with the economy of the Toronto area?

Although the Port has changed over the years, is it accurate to say that the function of the Port has lost ground to other uses of the waterfront?

Has the true functioning of the Port decreased or has the perception of the Port's function simply been diminished by the tremendous pressure of urban growth and the mixed use development potential of the Toronto waterfront?

The pressures on the Toronto waterfront and the Port of Toronto are perhaps stronger than those currently being experienced in any other waterfront in Canada. To determine the role of the Port of Toronto will require both an appreciation of the historic Port and an imaginative vision of the future.

OWNERSHIP

Public ownership has always been a dominant feature in the pattern of landholding on Toronto's waterfront. Public versus private ownership has also been a persistent issue in debate about the nature and direction of development on the waterfront. One of the factors that galvanized interest in the formation of the Board of Toronto Harbour Commissioners was a scandal about the conversion of part of Toronto's waterfront from public to private ownership.

Public Control

The ownership of land on the waterfront was very much at issue even earlier: in the railway era, land that had been ceded by the Crown to the City for The Esplanade was subsequently turned over to the railway companies to provide them with a route for entering Toronto, close to the City's core. In the context of the times, when there was a railway building craze in the province and in North America generally, using public land for railway development was not at all unusual. But The Esplanade deal turned out to be so questionable it provoked one City committee to comment:

> there has been some extraordinary conduct on the part of the City, not merely of heedlessness or want of judgement, but so obvious a desire to grant anything to these contractors that if there had not been fraud in such a dealing there is then a most vicious proceeding which cannot be characterized by any other name.

The concern, of course, was that, in gaining ownership of public lands on the waterfront, the railway companies would move to limit public control over the entire waterfront. With public control gone, the private interests of the railroad companies would soon come to dominate the waterfront to the detriment of both the waterfront and the public. Events soon proved that the City Committee's assessment of the railway companies' intent was valid. In 1889, another City report noted that:

> It must be borne in mind that our waterfront is limited; it cannot be indefinitely extended; and if it is given over to the railways to be occupied and controlled by them, it cannot also be used by lake craft, nor enjoyed by the citizens generally. It is not in the interests of the railways to encourage or develop business by water that would act as a competitor to their business....

At the same time as the railway companies were moving to limit access, other owners of property adjacent to the waterfront were creating a public health crisis. The accumulation of industrial and animal wastes and sewage

was such that the City's chief engineer called the harbour a cesspool. Once again, it seemed as if limited public ownership had resulted in limited public ability to control the actions of private landowners. While the City certainly deplored the use of the waterfront as a dumping ground, it was generally assumed in the early years of the railway era that the City was virtually powerless to exert effective control over the use of privately owned waterfront lands.

Starting in the 1880s, the City tried to turn the public health crisis around and ownership of public lands was seen as the key. In 1880, the City obtained a grant from the Crown of all ungranted lands and waterlots in Ashbridge's Bay, a transfer of approximately 666.6 hectares (1,400 acres). But more than simply gaining property, the City now had control of the most heavily polluted area on the waterfront. It meant that the City could undertake projects aimed at reducing the flow of waste and sewage into the harbour and cleaning up the waterfront.

As it turned out, ownership and public control of Ashbridge's Bay was not enough, in and of itself, to halt deterioration in the environment of Toronto's waterfront. The City, facing an imminent public health crisis, sought proposals for cleaning up the waterfront. Two plans, prepared by groups of private investors, were brought forward and debated vigorously because the price of each was high. In return for cleaning up Ashbridge's Bay, the City would have to give up ownership and control of property reclaimed out of the Bay.

Confidence in the City and civic officials was such that ratepayers endorsed one of the private Ashbridge's Bay clean-up proposals in a referendum in 1891. Subsequently, the City rejected the plan ratepayers had approved and accepted the rival proposal. That, too, eventually fell through after protracted negotiations with the City.

In sheer desperation, the City of Toronto turned to its own officials to develop a plan and it eventually adopted and implemented the Keating plan for reclaiming Ashbridge's Bay. Adoption of the plan may not have been a triumph of public over private ownership of the waterfront, but the plan did have the effect of keeping the Ashbridge's Bay section of the waterfront in public hands.

In the years following adoption of Keating's plan, the City expanded its ownership of waterfront properties. The City used expropriation to acquire waterfront lots and riparian rights, particularly in the west end.

The National Iron Scandal

Commitment to public ownership, however, was far from being completely settled and the issue soon flared up again. In late 1908 and early 1909, details began to come to light about a deal to sell the National Iron Company property adjacent to Ashbridge's Bay. The company had acquired nine hectares (22 acres), just west of Cherry Street and south of present-day Lakeshore Boulevard East. It was alleged that the purchase price was too low and there had been improprieties in the way the City had made the sale.

The most vocal opponent of the deal was John Ross Robertson, publisher of The Telegram, who saw it as jeopardizing the fruits of the anticipated victory over the railway companies in settling the viaduct issue. In an article on the sale, Robertson thundered:

> After a strenuous campaign, lasting a number of years, this City has secured a decision from the Railway Commissioners which means that there will be a four track viaduct all along the waterfront from Cherry Street on the east to York Street on the west. Toronto celebrates her victory in thus obtaining free access to her waterfront, by commencing at Cherry Street where the viaduct will commence [by] giving away ... a thousand feet of her priceless waterfront and twenty-two acres of land she was going to do so much with when citizens actually got the right to reach that waterfront.

Robertson even disputed the amount of property involved in the sale: the City assumed it had sold the nine hectares (22 acres) but, because the area had never been properly surveyed, the actual area turned out to be almost 11 hectares (27 acres). Robertson also reported that:

> The special meeting of the City Council was not of long duration yesterday, but long enough to sell twenty-two acres of precious city property worth $132,000 for $35,000.

Robertson had, needless to say, mixed motives in campaigning against the sale by the City of its waterfront property to National Iron: the company was headed by the son of a long-time political opponent of Robertson's. At the time, other newspapers in Toronto made a point of mentioning the apparent personal dimension to Robertson's campaign and they ridiculed the outrage of the Tely's outrage, pointing out that what really seemed to be bothering Robertson was the price, not the sale itself. Competing newspapers saw the sale as an opportunity for Toronto to gain some industrial development and jobs, and regarded the sale of waterfront property as a price worth paying.

Not everyone agreed with that view: the Board of Trade, the local branch of the Canadian Manufacturers' Association, and the Toronto Trades and Labour Congress expressed concern about the deal. At a special meeting, the Trades and Labour Congress adopted a resolution, which was delivered as a petition to the City, regretting that the "Council should have adopted a short-sighted policy in reference to the exploitation of the waterfront and Ashbridge's Bay." The feeling was that it had given up too much for too little.

By the beginning of 1910, that was beginning to be the majority view.

Arguing for Public Ownership

In early 1910, the campaign to form what would become the Board of Toronto Harbour Commissioners was also gathering momentum. The National Iron sale was seen as a telling argument for wresting control of the waterfront from City Council which, on the basis of its recent behaviour, could not be relied on to act in the public interest. Vesting ownership of the waterfront in an independent commission, according to one proponent of the idea, would guarantee public ownership and control and,

> assures the most economical development of all needed facilities. It enables placing any vessel just where it is most convenient .... It makes one part of the harbour sustain the other, and so reduces and equalizes charges.

The alternative, private ownership, would mean "unevenness of design and ... high rates to shippers".

Montreal's experience in establishing a harbour commission gave added support to the idea: in 1908, a report of the Montreal Board had argued the necessity of public ownership and control of the entire harbour area, asserting that "no complete development can take place without unity of purpose and concentration of authority. The value of complete ownership and non-alienation of any territory or rights are inestimable."

Federal legislation to establish the Board of Toronto Harbour Commissioners received Royal Assent on 19 May 1911. The act conferred extensive powers on the Board, enabling it to hold the waterfront property that, until then, had been owned by the Harbour Trust, the City, and the federal government. The legislation permitted the Board to "expropriate, acquire, hold, sell, or lease any [property] ... deemed necessary or desirable for the development, improvement, maintenance and protection of the harbour".

Ownership and the Board of Toronto Harbour Commissioners

The transfer of City property to the Board was finalized on 26 December 1911, giving the Harbour Commissioners control of more than 80 percent of Toronto's waterfront. There were, however, some gaps in the Board's ownership: the railway companies remained the primary landholders in the Central Waterfront, through either outright ownership or leasehold arrangements. The railway companies' ownership and domination of the waterfront would eventually diminish, but it was only after many years of negotiation that the Board gained control of the entire waterfront.

By transferring its lands to the Harbour Commissioners, the City made itself a less significant waterfront landowner. At the same time, it retained a powerful degree of influence on the Board's ownership of waterfront land by virtue of conditions it placed on the 1911 transfer. The indenture conveying the City's waterfront property to the Board transferred ownership in fee simple, but it also made a number of stipulations with respect to sales or leases: the Board had to agree not to sell or lease any land east of Leslie Street because the City wanted to reserve property in that area for future construction of a sewage disposal plant. The Board also agreed, more generally, that it would "not sell or convey otherwise than by way of mortgage, charge, or lease..." land the City had conveyed, "without the approval and consent" of the City.

Uncertainties about ownership and control arose almost immediately and settlement of them became urgent as the Harbour Commissioners began in 1913 to mortgage properties in order to finance plans for waterfront development; clearly, the Board had to have secure title to its land and remove any doubts about the status of its property if it were to obtain mortgages and reassure mortgage holders.

It was just as important for the City to settle the outstanding issues and any questions about future ownership of waterfront lands: under the Commissioners' enabling legislation, the City was the ultimate guarantor of the Board's debts. Therefore, the City needed to establish the nature of its control for purposes of clarity and in order to indemnify itself against any default by the Board of its financial obligations.

In 1917, the City and the Board signed a Memorandum of Understanding setting out a framework and process for selling or leasing properties formerly owned by the City. The agreement provided for consent by the City when the Board wished to dispose of waterfront properties that had formerly been owned by the City. The Board could lease, but not sell, any of the City's properties between the Humber River and Cherry Street, without the City's consent; a similar provision applied to the Eastern Beaches and to the Eastern Harbour Terminals, although it did permit the

Commissioners to sell a limited amount of industrial property in the latter area without special City permission. (That exception was seen as necessary in order to improve the potential for industrial development in the area.)

Under the agreement, in order to set a sale price, three independent evaluations of a property were required before it could be sold. The final, and perhaps most significant, stipulation was that any monies derived from sales could be used only to redeem the Board's bonds or debentures.

In addition to financial concerns, the City was aware of the implications of ownership for future development and access. With respect to the Eastern Harbour Terminals in particular, the agreement defined shoreline areas as being pivotal for regulating Port development and ensuring riparian rights.

The Board soon found the 1917 agreement with the City unworkable and, more important, a hindrance to its plans for developing the Eastern Harbour Terminals. By 1924, the Board was renegotiating the agreement with the City with the goal of gaining greater autonomy -- which it was partially able to achieve. The City agreed that those properties the Board had previously been able only to lease, could now, at the Board's discretion, be sold.

In the City's view the new agreement did not terminate the one it had made with the Board in 1917. Restrictions were being lifted, but that did not abrogate the need for City consent for the Board's land sale decisions.

Like the City, the federal government created a framework for controlling property in the Board's hands; it applied to properties the Government of Canada had transferred to the Commissioners in 1911, at the time the Board was established, and to properties in the federal jurisdiction. Privy Council Report 1385, dated 20 August 1925, defined four classes of property: land that could be leased; land that could be leased or sold; former City lands, which were subject to agreements with the City; and land the Commissioners had to retain for all time "for the purposes of public wharfage and storage".

As in the case of its agreements with the City, the Board soon found that its agreement with the federal government created as many problems as it was intended to solve. PC 1385, as the agreement was commonly called, removed any doubts about the status of properties owned by the Board, which was a benefit for firms considering whether to locate on the waterfront: earlier leasehold contracts had not provided sufficient financial security for raising capital.

PC 1385 made it possible for firms to actually own land and to use the land to raise money, but it also restricted the Board's freedom of action and required the Board to make application to the federal government for variances. Initially, applying for variances was not much of a problem because there were relatively few land sales. The Board's Annual Report for 1925 commented somewhat ruefully: "The years 1923, 1924, and 1925 could not in any sense be termed years of industrial expansion." But before the 1920s were over, demand for waterfront property changed and the difficulties created by the ownership transfer agreements multiplied.

Interest in waterfront property began to increase during the last half of the '20s; in 1929, the Board reported that 64 firms were then located on the waterfront and, of that number, 32 had arrived since the beginning of 1926. Fully half of the commercial expansion on Toronto's waterfront since 1911 had occurred in the previous four years.

With real estate prospects improving, the Board had to face the consequences of restrictions on its flexibility and freedom of action. In 1926, negotiations with Crosse and Blackwell over property at Fleet and Bathurst streets illustrated some of the problems the agreements created for the Board. The firm was prepared to enter into a lease, but only if it could exercise the option to purchase the property within three years -- an option not available under PC 1385. Crosse and Blackwell had to be reassured by the Commissioners that "no difficulty will be encountered in receiving ... consent."

In 1929, a report to the City noted that the Harbour Commissioners had asserted that "industrial concerns locating under leases on the Commissioners' property" generally wanted the option of purchasing property outright. The City singled out PC 1385 as the more significant restriction at that time because a great deal of interest in waterfront property involved sites adjacent to the water's edge, in the federal jurisdiction.

The Commissioners were lobbying the City to help them change the terms of PC 1385 so that the Commission could "be put in the position of being able to carry out these sales in the event of the options to purchase being exercised."

In 1931, the City backed away from an agreement to purchase property from the Board for a police administration building. Told that the City was no longer interested, the Board wrote to say:

> ... the Commissioners wish to call the attention of His Worship to the fact that if the decision of Council is such that the purchase money is returned to the City, the Commissioners will be short

approximately a corresponding amount in connection with the Sinking Fund payments ... and the Commissioners' requirements from the City may consequently be that much the higher.

In 1933, the Board's Sinking Fund requirement was $380,000. Of that amount, monies from sales of land contributed $82,471; by comparison, the City was called on to contribute $217,358. In 1934, the Board reported arrears of more than $54,000 in City taxes and, increasingly, the City was being called on to cover shortfalls in the Board's finances.

Land Sales and Independence

By 1937, the Board's financial condition required it to restructure its finances; it increased its capitalization from an original $25 million to $35 million. But the refinancing, in and of itself, did little to alter the Board's situation: it was simply a rollover of existing debt. At the same time, the THC was taking on new financial obligations, some of which stemmed from the decision to build an airport on the Toronto Islands.

By 1941, the Board's lack of progress in reducing its debt prompted the City to propose a debt reduction scheme of its own, one the Board had little choice in accepting, given its financial circumstances. What the debt reduction program did, however, was to create the need for a large, steady annual income, which put added pressure on the Board to "increase the total moneys which would have to be found from some source annually to cover operating expenses together with fixed charges." The Commissioners worried that the program put their operations into an "unfavourable light" and resolved to "impress on the City the direct and indirect revenue and benefit which accrued to the City from its investment in the harbour and the Commissioners' operations."

On 5 June 1942 the Board adopted the City's proposals, complaining right to the end that the plan "would very substantially increase the amounts of money which would have to be found annually to take care of maturities and other annual charges of the Commissioners." From that point on, the THC redoubled its efforts to sell property because sales represented its one sure source of income.

The refinancing and debt reduction program also gave the Board's trustees, National Trust Company and Toronto General Trusts Corporation, a significant role in approving land sales and transactions involving 870 hectares (2,150 acres) of THC property. The THC routinely informed the trustees that particular transactions were in the best interests of long-term development of the waterfront. On at least two occasions, the Board used the trustees to fend off City proposals to locate emergency post-war

housing, initially in the Eastern Harbour Terminals and, later, at Sunnyside. Although reluctant to see housing on the waterfront, the THC agreed to respond to the City's requests, provided that the trustees concurred with their doing so. In the end, nothing came of the idea.

For the most part, there was little expansion in the Board's property transactions in the war years. But in early 1945, The Toronto Star's offer to purchase 2.8 hectares (seven acres) of property at 1 Yonge Street for almost $466,000 signalled the beginning of a new phase in the Board's financial affairs. This change, which proved all too short-lived, was given added impetus in 1949 by the sale of two properties in the Eastern Harbour Terminals. One of the sales was to the Ontario Hydro Electric Power Commission, and the other to the Consumers' Gas Company. In total, they involved 52.61 hectares (130 acres) of land located on the Ship Channel and Turning Basin.

Although the two sales were important in their implications for ownership of waterfront lands, there were other considerations as well. Of the land involved in the two transactions, only a relatively small parcel, which was reserved for use as a public wharf, could not be sold. At the same time, the sales were dependent on the City consent -- which it gave unanimously.

In the 1950s, the Harbour Commissioners began extensive development of new marine terminals in the central area and Eastern Harbour Terminals. The expansion of Port facilities, which were owned and operated by the THC, was in anticipation of the opening of the St. Lawrence Seaway.

Although there seemed to be no implications for ownership of the expanded Port at that time, ownership questions did emerge in the early 1970s. The anticipated growth in Port traffic and in revenues from handling that traffic did not materialize. With high ongoing costs and revenues below expected levels, the Commissioners' debt began to climb, and grew from $10 million in the 1970s to a total of $33 million in 1984.

The Board's property holdings offered a way out of the debt problem and proved so successful that, in its 1987-1988 Annual Report, the Board was able to announce that it was debt-free; moreover, it even had a $2.7-million operating surplus.

Ownership Issues Today

In 1911, ownership of waterfront lands had been central to the question of whether Toronto needed a new harbour agency. City Council, in its

dealings with the National Iron Company, had been seen as unable to act in a manner that such groups as the Board of Trade defined as being in the public interest. Moreover, as previously noted, experience in the railway era had left many Torontonians convinced that public ownership was the key to controlling the nature and rate of waterfront development. When the Board of Toronto Harbour Commissioners was established and given control of virtually the entire waterfront from the Humber River to Victoria Park Avenue, it was on the basis that these steps were in the public interest and a means of governing development.

Is public ownership as relevant today as it was in 1911 in addressing Toronto's important waterfront issues?

Is public ownership still the best policy instrument for solving present problems and laying the foundations of future waterfront development in Toronto?

The THC's enabling legislation gives it considerable power to hold property. But even if the 1911 act had not been so sweeping, the sheer extensiveness of the THC's property holdings ensure it a key role in any discussions about the present and the future of the Toronto waterfront. Nonetheless, there are some critical questions that must now be considered about the Board's role.

How relevant is the THC's ownership of waterfront property in solving today's waterfront problems?

Can an argument still be made that the THC should continue to hold and control as much property as it now has?

Could the THC own less property and still function effectively and fulfil its mandate?

While the City and the federal government gave up ownership of THC property, neither surrendered complete control of the waterfront. Both had various agreements with the Harbour Commissioners on the kinds of property transactions it could conduct. Over time, however, federal and City control diminished, not really by design but as a way of reducing the Board's debt.

Because of the Board's pressing financial requirements, the City gave little thought to the issue of ownership that had helped to create the Board in the first place. Indeed, at one point in 1945, the City's Board of Control informed the THC that it should review its land disposal and price-setting practices in order to achieve "more rapid development of harbour lands...."

The question now is whether the City and the federal government should continue to play the limited role in controlling development that they seem to have assigned themselves.

Should the City and federal government alter their present relationship with the THC when it comes to development or involves waterfront properties they once owned?

Is the fact that the City controls the majority of appointments to the THC a significant consideration in addressing ownership and control issues?

Waterfront property has been escalating in value sharply during the past few years: property transactions that typically once involved hundreds of thousands of dollars have given way to deals that involve millions of dollars.

Given the size of the Board's holdings and the present property market in Toronto, it is also probably fair to assume that the THC's property holdings have a potential value in the billions of dollars. Given those circumstances, there are several questions worthy of consideration:

Does the state of the Toronto real estate market create special issues of ownership with respect to the Board holdings on the waterfront?

If there are special considerations, what interest should the City have?

Does the federal government have a special interest in property on the Toronto waterfront?

Ownership and Jurisdiction

In the current situation, there is growing confusion between ownership of waterfront property and the jurisdiction needed to exercise some form of control over those lands and waterlots. This uncertainty stems, at least in part, from the scale of development that has taken place on the waterfront. Lakefill and dredging operations have combined to create land where none existed previously. In fact, approximately 931 hectares (2,300 acres) of land have been created since 1911.

The Board's legislative frame of reference is equally critical when it comes to defining ownership and jurisdiction -- and to creating confusion.

Section 5 of the Toronto Harbour Commissioners' Act, 1911 defines the Port and harbour of Toronto as including:

> west of a line drawn due south astronomically one statute mile from the point where the east limit of the city intersects the water's edge of lake Ontario at high water, west of a line drawn due south astronomically one statute mile from the point where a line drawn due south astronomically form the west limit of the city in the Lake Shore road intersects the water's edge of lake Ontario at high water, and north of lines drawn from the southern extremities of the said two lines through a point one statute mile due south astronomically from Gibraltar Point Lighthouse; together with the dock and other water-front property and water lots within the city limits; also the docks, shores and beaches of the island and peninsula.

Section 13 of the act then gives the Board of Toronto Harbour Commissioners jurisdiction, but not ownership, over the vast area defined as Toronto's harbour. Subsequent to the 1911 act, the federal and Ontario governments passed separate pieces of legislation that defined the harbour of Toronto. The Federal Ontario Harbours Agreement Act, 1963 describes the harbour of Toronto as comprising the waters of the inner harbour and confirms federal ownership of the harbour. The act also confirms provincial ownership of any remaining ungranted land or waterlots outside the defined harbour.

As a result of the 1911 and 1963 legislation, the THC has jurisdiction over an extensive area, but its jurisdiction is subject to the proprietary rights of the federal and provincial governments within that boundary.

Historically, agreements between the various waterfront stakeholders have served to further muddle the ownership issue. In its early years, the THC was required to obtain the consent of the City and federal government in order to dispose of property.

Consent, as we have seen, was a condition attached to the transfer of land that was given effect by the 1917 City and Board Memorandum of Understanding and by PC 1385. Each of these agreements was a response to uncertainties over ownership and control as they related to mortgaging THC land. Each was designed to remove any doubt about the nature, extent, and status of properties under the Board's control. The agreements meant, however, that, although proprietary rights were vested in the Toronto Harbour Commissioners, the City and the federal government had a right of control which either could exercise by withholding consent to the sale of certain properties that were in the Board's hands.

It is important to note as well that there are more than 30 public agencies other than the THC that are active on Toronto's waterfront. Together with private property owners, these federal, provincial, Metro, and City agencies exercise proprietary rights over parts of the Toronto waterfront. Public agencies can also assert a distinct right to act on and control some aspect of the Toronto waterfront.

The multiplicity of owners and jurisdictions raises a number of questions pertaining to the Port of Toronto as well as to the entire Toronto waterfront.

How should ownership and jurisdiction to act be vested in relation to the Port of Toronto?

Should it be in a private or public entity?

Should a differentiation be made between ownership of the Port and the jurisdiction to control and manage it?

If so, how should the Port be owned and managed?

LAND USE

In 1850, an editorial in Maclean's Anglo-American Magazine contained this assessment of the Toronto waterfront:

> The waterfrontage of Toronto, extending over a length of from two to three miles, and up to the present time almost unoccupied, is now to be used for railway purposes.
>
> Adjoining thereto, and extending three-fourths of a mile along the south side of Front Street, immediately to the east of the Old Fort, a tract of land, averaging in width about 100 feet, was some years ago reserved for the public as a promenade or pleasure ground, which reserve is also being appropriated by the railway companies for their own use.
>
> Much has lately been written, and far more has been said, regarding the occupation of the waterfrontage by the railway companies. One party advocates the conversion of every foot of ground now lying waste, into track, brick, and mortar. Another party, with more concern for the healthful recreation of future generations than the convenience of the present, insists on these reserves for pleasure grounds being retained for the purpose they were originally intended to serve. All must admit that the interests of the public and the railway companies are one in the most important particulars, and that every facility should be afforded them in endeavouring to establish their work; but, if in doing it be found expedient that these public grounds should be surrendered for the purposes of business -- the life and soul of all commercial cities -- it ought not to be forgotten that posterity has some claim on the representative of the public at the present day, and some effort should be made to provide breathing space for those who come after us.
>
> It will be indeed a reproach if, within the limits of the City of Toronto, comprising an area of six square miles, and which, half a century ago, was just emerging from the wilderness, a few acres be not set apart and held inviolate for these purposes.

Later in the 19th century, descriptions of the waterfront drew attention to the fact that the pattern editorial writers at Maclean's had feared had, in fact, emerged. One City of Toronto report concluded:

> The waterfront, from the Queen's Wharf eastward, is barely two miles in extent; of this, at present, nearly one-half is occupied and controlled by the railways to the exclusion of the general public and

vessel business....

Development on the Toronto waterfront had produced a single, predominant land use.

Land Use and the Railways

The domination of the waterfront by the railways was a land-use problem for a variety of reasons: it limited access to the waterfront and made it difficult to resolve health and environmental problems associated with the waterfront. Furthermore, it reduced the utility of the Port and made it almost impossible to change conditions on the waterfront because the railways, by virtue of their ownership of key harbour and waterfront properties, had so much control of the waterfront.

Pressure for change began building at the turn of the century. The 1909 viaduct order signalled that change would continue and that the railways' hold on the waterfront had been broken. Access would allow development that would enable Toronto to realize the potential of its waterfront. The Board of Trade's campaign for an independent agency to implement and carry out change was intended to give the city the necessary tool to ensure success.

A later THC comment summarized the City's position with respect to present and future waterfront development:

> The best manner in which Toronto's fine natural harbour and waterfront could be developed for the benefit of the city is a problem which has engaged the attention of citizens from time to time, and has been dealt with in a somewhat desultory and piecemeal fashion by various City Councils of the past. That the possession of a harbour without parallel on the Great Lakes should mean something not only in the way of aesthetic development, but also in cold terms of dollars and cents to the fortunate municipality which should own it, has always been present in the background of people's thoughts, and has been expressed occasionally by the men most directly interested. But this thought and its expression never until the last two years became crystallized into definite action, and the city grew to its present prosperous condition with a population of 425,000 people with practically no assistance from its harbour.
>
> During 1910 various incidents in connection with the harbour equipment, which need not be particularized here, created a strong public feeling in favour of some progressive policy of harbour development. The matter was taken up in an interested and

intelligent manner by the Board of Trade and the City Council, a plan was agreed upon, and the question of creating the Harbour Commission was submitted to the people, with the result that in 1911 an Act was secured from the Federal Government incorporating a new Board of Harbour Commissioners, in which were vested powers for the management and development of the Harbour of Toronto and the improvement of the City's waterfront generally.

1912 Plan

On 14 November 1912, Toronto's acting mayor received a communication that the City had been anticipating for more than a year:

> The Toronto Harbour Commissioners have great pleasure in presenting to you herewith the plan prepared by them for the improvement of the Toronto Harbour and waterfront and reclamation of the district formerly known as Ashbridge's Bay. The plan, as prepared, is the result of eight months of study and hard work by the staff employed by the Commissioners and of continuous meetings of the board, at which every suggested phase of development has been considered and discussed.
>
> As the result we feel that the plan as now presented to you provides for the most economical and efficient expansion of the harbour and improvement of the waterfront which can be evolved.
>
> The plan as finally adopted by the Commissioners provides for the proper development of the harbour both from a commercial and industrial point of view and also for development of the aesthetic features of the waterfront.

Immediate reaction to the THC's waterfront plan was enthusiastic. The Mail and Empire, one of Toronto's daily papers, exclaimed:

> Of all the things progressive policy has given Toronto, this harbour improvement may easily turn out to be the most fruitful. It will be a tremendous new impulse to the City's forward momentum, and it will hasten the day when its population will be rounded out to a million.

The Toronto Harbour Commissioners' plan for improving Toronto's waterfront was projected to cost $19 million and take ten years to complete. It divided the waterfront into three sections: the eastern waterfront, once Ashbridge's Bay had been reclaimed, would become a port and industrial

district; commercial and marine development were to be the primary features of the central harbour area. At the same time, a 6.9-hectare (17-acre) site was set aside at the foot of Bathurst Street for light manufacturing while the shoreline west of Bathurst to the Humber River was to be reserved for the development of parks, walks, and boulevards. Toronto's private aquatic clubs, formerly located on the Central Waterfront, would be moved to the western waterfront.

The 1912 plan provided for extensive improvements to existing marine facilities, dredging of the bay, construction of a breakwater from the Humber River to Woodbine Avenue, and widening and deepening of the Eastern and Western Channel entrances to the harbour. Everything in the plan was directed toward a waterfront that would be not only functional, but also grand and impressive.

An important element of the plan was that it envisaged different land uses being mixed together in each area of the waterfront. For example, the Port industrial district, on reclaimed Ashbridge's Bay, would have space for heavy industry and the marine facilities needed to serve it, but it would also have parks and recreational space. Similarly, the Central Waterfront would include commercial, port, and manufacturing land uses, as well as provision for open space on the western flank of the area. The western waterfront was envisioned as a summer resort for the city, with promenades, a bridle path, a beach, and an "artistic public bath-house".

The THC imagined that it could create 77 hectares (190 acres) of new parkland on reclaimed land between Bathurst Street and the Humber River. A new boulevard along the lakeshore would connect the western and eastern ends of the waterfront to the Toronto Islands, with bridges over the Western and Eastern channels and a continuation of the boulevard across the Islands.

This is not to say, however, that the 1912 plan did not have clear priorities. It did; the first was industrial development on Ashbridge's Bay and at the foot of Bathurst Street. The second was marine development, principally in Ashbridge's Bay and secondarily at the foot of Bathurst Street. Port development in the central area, which had to wait until ownership issues were resolved, would involve a large wharf and warehouse site between the foot of Bay Street and the foot of York Street. The Board's third priority included parks, the 19.3-kilometre (12-mile) waterfront boulevard, and a sheltered waterway from the Humber River to Victoria Park.

There were, of course, a number of important influences on the Harbour Commissioners' plan. In 1904, a fire, which had been centred on lower Bay Street, had destroyed a large part of the south central core of the City;

that event had resulted, in 1906, in a new downtown plan prepared by the Ontario Association of Architects. Taking the opportunity to review and rethink planning for downtown Toronto, the Association's plan included an outline for waterfront redevelopment and a proposal to reclaim Ashbridge's Bay.

But it was not the only plan: the Guild of Civic Art produced its own plans in 1908 and 1909, which also included proposals for reclaiming Ashbridge's Bay. Still another plan was brought forward by the Board of Trade in 1909; it, too, focussed on Ashbridge's Bay, proposing that it be reclaimed for industrial land use.

In the words of one commentator "plan making was in the air...." Once it came into existence, the THC was able to capture both Toronto's enthusiasm for planning and much of the substance of the proposals that had preceded its own 1912 plan. That substance was firmly rooted in two ideas: first, that industrial space in Toronto was becoming increasingly limited and should be expanded and, second, that the city had to deal with the problems of its Port and physically link future industrial and marine developments. In 1908, an article titled "A Plan for Improving Toronto Harbour", which appeared in the journal Industrial Canada, drew the two ideas together, arguing that:

> ... unless the manufacturers get the benefit of water transportation they are going to lose out. They must have it to bring in their raw material. They must have it to distribute their finished products. If they do not get the service in Toronto they will get it somewhere else.... Here is the proposition in a nutshell.... At the eastern end of the bay the city owns an extensive area of marsh land, readily accessible by railway lines, which could be filled in and made into an admirable site for factory purposes.

An Initial Assessment

The Harbour Commissioners' plans were, two years after their release, the subject of a major conference of town planners and civic officials. At that meeting, Robert Gourlay, the Board of Trade appointee to the THC, outlined a number of principles that would guide the development of Toronto's waterfront. The first of these principles, retention of public ownership, was seen by Gourlay as a way of ensuring "the fullest benefit of every citizen individually and corporately from generation to generation." In Gourlay's view, development of the Port and creation of sites for port-related industries were clear commercial priorities.

In order to support Port and industrial development, the area would

have to be closely linked by road and rail to the rest of the city and to areas outside it. But rents would have to be set at a level that would "encourage the beginner in the manufacturing field...."

However, Gourlay did not confine the principles of harbour development to Port and industrial functions. He noted that the 1912 plan emphasized the recreation potential of the waterfront. Indeed, he foresaw the waterfront becoming a "citizens' playground..." for those who "hunger every summer for a holiday by the water...."

According to Gourlay, the 1912 plan would make 435.8 hectares (1,077 acres) of land available for commercial and industrial expansion; lakefilling would add some 158.6 hectares (392 acres) to the almost 202.3 hectares (500 acres) of existing waterfront land designated for park use, primarily in the west end of the City. Land uses would be mixed, but would have to be compatible with patterns of development both on the waterfront and in adjacent areas. Gourlay noted that the THC had rejected the idea of heavy industrial development, "except under the most modern conditions" on the grounds that "the health of the citizens will be the first consideration".

Members of one of Gourlay's audiences were somewhat skeptical about the idea that industries could be located on the waterfront without eventually causing problems in adjacent areas. But the sharpest criticism was reserved for the plan's discussion of development in the rest of the City, particularly because it did not provide for housing for employees of the industries that it envisioned for the waterfront. Gourlay countered that the east end of the city was "not thickly settled" and that the THC had planned for rapid transit that would provide workers with access to the waterfront.

But the criticism was damaging: the plan seemed to have been designed in isolation and "proper housing accommodation" for the industrial area had not been provided.

Early Progress

A few years after the 1914 town planning conference, Edward L. Cousins, the Board's chief engineer, could report that the THC had made considerable progress toward achieving its development and land-use objectives: land in the City's east end was being reclaimed for industry; parks were being developed in the west end.

The central area of the waterfront, however, continued to experience difficulties because of unsettled ownership and the issue of riparian rights. Once these problems had been solved, land use in the central area would undergo considerable change: initially confined to the block between Bay and York Streets, lakefilling for Port expansion would be extended east and

west. For engineering reasons, the harbourhead line would be moved 335.3 metres (1,100 feet) south and would stretch 2 kilometres (1.25 miles), from Bathurst Street to Yonge Street. The 81 hectares (200 acres) of land created would also be used for commercial purposes, manufacturing, and warehousing.

At the same time, the Board's financial state was increasingly the basis of decisions about property transactions and land use. In the early 1920s, the Commissioners decided to begin developing the Sunnyside amusement area, in part because an American group was said to be opening an amusement area near High Park. But financial concerns were even more compelling. As Edward L. Cousins admitted: "We have no alternative but to make the western waterfront revenue producing."

In the 1920s an equally important consideration was the growing feeling within the THC that the conditions attached to its ownership of properties were a constraint on development. One particularly serious case was the City's decision to reserve land in the east end for a sewage treatment plant, because the reservation limited potential industrial expansion in the Eastern Harbour Terminals; furthermore, in the THC's view, the plant would occupy increasingly valuable property.

There was also the issue of parks in the Eastern Harbour Terminals, which had no revenue-producing potential and were seen as incompatible with either a sewage plant or industrial development. At a Board and City conference in mid-1927, the Commissioners urged that the sewage plant be shifted east and that park development begin east of the Coatsworth Cut, with the area between the Eastern Channel and the Coatsworth Cut set aside entirely for industry.

Discussions between the two groups continued intermittently through 1928 and 1929, at a time when the fact that industrial expansion was not consuming large amounts of property in the Eastern Harbour Terminals made the discussions moot. Not surprisingly, the issue of land use in the Eastern Harbour Terminals quietly faded away, not to be revived until the late 1940s.

Removing parkland from the Eastern Harbour Terminals was in keeping with the Board's plan for building an outer harbour, which had been announced twice, in 1928 and then in 1931.

An outer harbour would significantly increase available marine facilities in the harbour; the proposal was related in part to the upcoming opening of the new Welland Canal. Toronto had to be ready to take advantage of the expected increase in waterborne traffic the canal would bring to the city.

The proposed outer harbour also would provide facilities to serve expected industrial development in the Eastern Harbour Terminals, space for which would become available if the sewage treatment plant and parks were moved east.

There were mixed reactions to the Board's plan for an outer harbour south of Leslie Street. The Telegram enthused:

> Should all these dreams of the future come true, the eastern waterfront, already vastly changed by the work of the Harbour Commission would be altered beyond recognition, but would afford immense areas for future industrial development, and the eastern beaches would, in the unanimous opinion of east end ratepayers, be vastly improved.

The Toronto Star, on the other hand, argued that the proposals would mean abandoning the underlying thrust of the 1912 plan. The changes in land use, it said, would "mutilate beyond recognition" the developments for the eastern waterfront that had been proposed and accepted in 1912. Nevertheless, the Board had a clear sense of its own priorities. According to Edward L. Cousins, "... the harbour was only secondary to the industrial area that was to be developed, with parks third. The basic idea was to reclaim 2,000 acres of waterfront land, of which 800 were to be for parks and 1,200 for industrial purposes."

Land Use Issues, 1925 to 1960

From time to time, the Board's priorities for land use brought it into conflict with the City. In 1925, for example, the Board was asked by the City to co-operate with the Commissioner of Assessment and the Town Planning Commission "for the purpose of creating a residential area in the Industrial Area of Ashbridge's Bay." The City proposed the idea "so that the hundreds of acres of the lakefront can be sold more rapidly and the proceeds go towards reducing the tax rate." The Board ignored the suggestion.

In the '40s, the City proposed establishing junk yards south of Unwin Avenue and was politely informed by the Board that: "junk yards in that locality would be detrimental to the district and its further development...." The Board suggested an alternative site -- on City property. A City proposal to build emergency wartime housing in the Eastern Harbour Terminals was also rejected by the Board, which grudgingly agreed to another City proposal for temporary housing at Sunnyside, provided that the THC's financial trustees and bondholders concurred.

The Board could occasionally use the City to advantage in its dealings

with other property owners on land use issues. In 1944, Tip Top Tailors complained to the Board about its plans to build a naval barracks immediately to the west of the company's property, on the grounds that the barracks would detract from the value of Tip Top's property. Asked to put a stop to the planned development, the Board replied that the barracks was a City project on land it had transferred to the Board in 1914, under an agreement that gave the City the right to dispose of the property in whatever manner it pleased. The Board suggested that Tip Top complain to the City because the plan "was the City's idea and the building of it was the City's prerogative".

These and similar incidents involved relatively minor disputes about the nature of land use on the waterfront. More significant questions arose late in 1943 when the City zoned a large area of the Central Waterfront as open space and again in 1945, when the federal government proposed a large fruit and vegetable terminal there. The City's zoning proposal involved the area bounded by Queen's Quay, and York, Harbour, and Yonge streets and the strips facing that block. The Board argued that: "In this connection, the Commissioners had in mind the duties and obligations imposed on them by their Act ... and while they have recognized the desirability of having certain open spaces at the waterfront they felt that this was a matter for their ultimate decision and that their hands should not be tied...." The City initially rejected the Board's argument, but finally gave in to it.

In 1945, the Minister of Agriculture, T.L. Kennedy, proposed that a fruit and vegetable terminal be located on a 4.05-hectare (10-acre) block east of Yonge Street and south of Fleet Street. The idea came, in part, from an earlier proposal the Board itself had made for the area bounded by Queen's Quay, Fleet, Jarvis, and Sherbourne streets -- an idea the Board now rejected as incompatible with its current requirements and plans.

The Commissioners directed the attention of federal officials to the Eastern Harbour Terminals where land was available at $32,000 a hectare ($15,000 per acre). Although the federal government still preferred the more central location, it simply dropped the idea in the face of the THC's resistance.

In the late 1940s, interest in the Board's holdings began to grow and it responded by making properties available. Two transactions in this period, besides bringing new landowners to the area, had far-reaching implications for the pattern of land use on the waterfront: the sale of land in the Eastern Harbour Terminals to the Ontario Hydro Electric Power Commission and to Consumers' Gas.

Until the sales, the City had held the THC to its commitment to develop

the area adjacent to the Ship Channel for park, recreational, and aquatic uses. With the sales to Hydro and Consumers almost an accomplished fact, and with the Board's financial state very much in mind, the City agreed to the change in land use long sought by the Board; the federal government also acquiesced and made the appropriate modifications to PC 1385.

The City had agreed earlier that, in exchange for property between Coatsworth Cut and Woodbine Beach, it would support the THC in its efforts to obtain additional waterlots south of the area between Leslie Street and the Coatsworth Cut: not only had the way been cleared for further industrial development in the Eastern Harbour Terminals, the Board had secured the basis for its eventual development of the Outer Harbour Headland --the Leslie Street Spit.

In the post-war period, the Board turned its attention to finishing and building on earlier waterfront accomplishments, giving first priority to completion of the extension of the harbourhead line between Yonge and Parliament streets.

Lakefilling in the area would enable the Harbour Commissioners to build new marine facilities to prepare the waterfront for the opening of the St. Lawrence Seaway. There was, as well, a need for additional lakefilling in the Eastern Harbour Terminals to cope with expected industrial developments. Both projects made use of materials being generated by the construction of Toronto's first subway, while the companies building the subway benefitted from having a convenient disposal site for excavated material.

Bold Concept

By the mid-1960s, a number of trends began combining to alter what had been consolidation and amplification in the pattern of existing land uses: industries were moving out of the City to the suburbs and beyond; suburban municipalities were growing in their own right, challenging the city's longstanding economic and political domination of the metropolitan area. To counter these trends, the City began working on a new Official Plan, which was adopted in 1969, aimed at expanding Toronto's commercial and residential base.

Against this background of concern about the future of the city, the THC emerged in January 1968 with its plan, A Bold Concept for the Redevelopment of the Toronto Waterfront. Bold Concept, as it came to be known, proposed a number of fundamental changes in the pattern of waterfront land uses: a new outer harbour; a new downtown airport, south of the Toronto Islands, which could accommodate jets; Harbour City,

a residential development for 50,000 people, to be located on the site of the existing Island Airport; enlarged parks on the Toronto Islands and an Olympic-style sports complex, including a domed stadium, in the Eastern Beaches, east of Coxwell. In the Commissioners' own words, in Bold Concept, they were offering "To-morrow's Waterfront To-day".

There were doubts about the plan: federal officials, examining the proposal for an outer harbour, dismissed it as:

> a real estate operation to use the Toronto Harbour Commissioners' land to better advantage, considering the high cost of real estate in the centre part of Toronto Harbour. The Harbour Commissioners wish to relocate the present freight terminals to a new outer harbour in order to use the land on which the terminals are constructed to better advantage.

Other events were unfolding that would also shape land use in and adjacent to the Toronto waterfront. In 1968, Canadian National and Canadian Pacific Railways announced plans to build Metro Centre, a massive redevelopment of the railway lands on the waterfront. The federal government established Harbourfront in October 1972 and the City of Toronto's 1978 Official Plan had, as one of its goals, directing excess growth away from the City core. The Board was no longer alone in either planning or carrying out mammoth development projects on the waterfront.

Recent Developments

Since the late 1970s, the area surrounding the Port and harbour has changed dramatically. Harbourfront, immediately to the west of the central area, has been almost completely redeveloped. Instead of being the site of hostile, defunct or obsolete Port and industrial activity, the area now contains shops, offices, art galleries, theatres, restaurants, skating rinks, picnic areas, boating facilities, a waterfront promenade, and housing for a variety of family sizes and income groups; in fact, the area extends the City to the lake, and has a mix of land uses and a strong urban character.

Although attention has recently focussed on the scale and nature of the Harbourfront development, City Council has approved massive commercial developments on the waterfront and in the surrounding area. The sheer size of these developments can be appreciated in the wall of concrete created by Harbour Square, the intense commercial redevelopment of Waterpark Place, and the densities that have been approved for proposed residential developments on the west side of Stadium Road.

In addition, Council has recently approved a major acquisition and

redevelopment of the lands located to the east of the St. Lawrence Neighbourhood. This area was predominantly industrial, but did include some commercial and residential uses; it was viewed as underutilized space that could be better used if it were upgraded to neighbourhood residential use. The proposal was a response to often-expressed concerns about the lack of affordable housing in the central area and also sent a clear signal that low-grade, semi-obsolete or noxious industries are less desirable and necessary than residential land uses in the City's central area.

Council's decisions, however, have sent out mixed messages about the scale and use of lands in the harbour area and on the waterfront as a whole. Council, which has complained about the scale of waterfront development, has gone on to approve still more development. It expressed concern about the lack of public open space and then approved additional development on private land. It said clearly that low-grade industrial land uses are not desirable north of Front Street and then adopted plans that will mean relocating industry in the Port and harbour area -- which offers one of the last opportunities to establish major parks and open space on the waterfront.

Apart from the potential conflict between industrial and recreational uses, escalating land values have placed considerable pressure on the Port and harbour area and present a temptation to the Board to sell some of its property in order to reap financial benefits. A great deal of the pressure on land values comes from the very success of Harbourfront, the market response to Harbour Square and adjacent commercial developments, and the City's decision to expand the St. Lawrence Neighbourhood. The escalating value of such land may be beyond the financial ability of marginal industries to pay. There is then a very real question:

Should the public sector provide direct subsidies to private, profit-oriented corporations in its efforts to persuade them to locate in the Port and harbour area rather than in other places in or near Metropolitan Toronto?

Because many such industries would be relocating from elsewhere downtown and could have reaped considerable profit from the sale of such land -- for example, Dover Elevator -- consideration of government subsidies raises serious questions about the conduct of those charged with the public trust.

However, the Board of Toronto Harbour Commissioners controls far more land than is required for Port and shipping purposes, a fact that is implicitly recognized in the THC planning document that accompanies this paper. The opportunity exists, therefore, to make major decisions that could shape the waterfront of Toronto for decades to come.

Current Issues

As the Port has changed over the years, the traditional association between the Port and heavy, noxious industry has come under question. The water's edge is now recognized as a scarce and precious resource that should accommodate more than just shipping and heavy industry. But that recognition raises two significant issues.

What uses should land at the water's edge accommodate and in what location, at what scale, and in what combinations?

What role should the Toronto Harbour Commissioners play in accommodating new or different land uses at the water's edge?

In the light of those questions, there are further aspects of the issues of land use on the waterfront and the operations of the Board of Toronto Harbour Commissioners that could be considered -- and questions that they, in turn, bring up:

How large an area should be devoted to Port, shipping, cargo handling, and storage facilities?

What sort of facilities should be accommodated? Should they be highly mechanized or labour-intensive? Where in the Port area should there be facilities for general and bulk cargo? What other land uses would be compatible with Port uses on the same or adjacent site?

Should industrial land uses on the waterfront be encouraged?

If industries are encouraged, should they be heavy or light industries? Should only those industries that absolutely need access to the water's edge be permitted to locate or remain on the waterfront? Do noxious industries -- those that smell, are noisy or operate 24 hours a day or at night, or whose products or by-products may pose an environmental problem -- belong on the waterfront? What other land uses would be compatible with industry, if not on the same site, perhaps on an adjoining property?

To what extent should commercial uses such as offices, stores, bars, and restaurants be encouraged?

Where should commercial uses be located and what other uses are compatible on the same or adjacent sites?

Should parks, recreation, and other public open space uses be encouraged?

Should these uses be family orientated and be offered year round? Should they charge entry or user fees? Should they be primarily passive, with parks and trees, or active, with recreation centres or other built facilities? Where should they be located and what other uses are compatible with them? What mix should there be on the waterfront of public recreation uses and those not open to the general public?

Should residential uses be encouraged?

What sorts of residents and housing should those residential uses accommodate: families? adults only? seniors? assisted housing? market-value accommodation? non-profit? rental? ownership? high-rise? grade-related? Where should residential uses be located? What other land uses are compatible with residential use?

What public services and facilities would be needed to support land uses deemed appropriate for the Port area?

For example, should transportation access favour heavy surface vehicles? Is there sufficient parking? Is the area well served by public transit? Are roads and walkways pedestrian-friendly? To what extent would greater residential use on the waterfront require additional schools, community centres, health care, and other community facilities? If there must be significant increases in community facilities, who should pay for them?

Finally, what are the priority land uses for the Port and harbour area?

Some land uses are not compatible with others; when there is conflict, which uses should take precedence and why? What importance should we attach to Port and shipping, residential, industrial, recreational, and commercial land uses?

Who should make land-use decisions within which the Board of Toronto Harbour Commissioners operates?

ACCOUNTABILITY

In 1912 Frederick Law Olmsted, the noted U.S. landscape architect who design Central Park, summarized both the challenge and solution to controlling development, which was apt in describing the situation on Toronto's waterfront, when he said:

> It must ... be recognized that the manifold economics and advantages which are thus brought within reach of the community can be attained only by pursuing a thoroughly consistent continuous policy over a long period of years and only by a strongly unified control of all classes of development within the area in question. There are such far reaching interrelations between the development of facilities for rail and water transportation of the industrial and warehouse sites, of the park features, and of the sites available for public and quasi-public institutions, for private residences and for recreation places productive of revenue, that a piecemeal improvement carried on without such strong centralized initiative and control would not only involve a great increase of cost but would inevitably prevent the full realization of the possibilities of the situation at any cost. The problem is; first, to provide for the ultimate use of every square yard of territory in precisely the manner which will result in the maximum public service that the whole is capable of rendering; and second, to so handle the execution of the plan, part by part, as to get the results for the lowest possible cost.

Olmsted's comment also spoke powerfully to a particular view of accountability that civic groups in Toronto had been urging upon the City for some time.

Urban Reform

In the early years of this century, when they were calling for a new, independent harbour authority, groups like Toronto's Board of Trade drew on themes and ideas about the nature of city government that were then very prevalent. Elected city governments were seen as, at the very least, inept and, at the very worst, incompetent and corrupt. Proponents of the view, who styled themselves as reformers, argued that urban problems could be managed if competent administrators were just given the chance to manage urban problems.

Of course, the distance between the rhetoric and the reality of the urban reform movement in the early 20th century was sometimes quite long. As often as not, reformers were not the high-minded, disinterested participants in civic affairs they painted themselves as being; frequently, they were

representatives of particular interest groups with their own public and private agendas for urban affairs, including planning and development.

There is no question that groups such as the Board of Trade were highly influential in having the Board of Toronto Harbour Commissioners established. At the same time, the THC's lobbying for new harbour authority could not have succeeded if its campaign had not struck responsive cords in the community. There were widespread concerns about the influence of the railways, conditions in the Port, and threats to public health. Equally important, there was concern that, under existing institutional arrangements no one group could take responsibility for change on the waterfront, set goals for that change or figure out how to achieve them.

There were institutions that could be held accountable for some conditions on the waterfront -- City Council, for example. But at the turn of the century annual elections to City Council meant there was little continuity in substance and approach to resolving any issue, including those related to the waterfront. Moreover, the 1909 sale of waterfront property to the National Iron Company served only to confirm the worst view of City Council held by such community leaders and opinion moulders as Telegram publisher John Ross Robertson. Fairly or not, City Council was portrayed as being incapable of discerning what was in the public interest, let alone acting in it.

There was, as well, the Harbour Trust, which had been in existence since 1850 but had been largely inactive in developing the harbour. Prior to 1911, it was painted as having a difficult tine even discharging its limited range of responsibilities; such characteristics of inactivity and ineptitude were said by the critics of the Harbour Trust to go back a long time. Vaughan M. Roberts, an historian of the waterfront, noted that:

> In 1870 and 1871 severe criticisms were levelled at the Harbour Commissioners.... They had over $10,000 to their credit and a much larger sum in Building Society stock... [yet] they stood idly by and permitted the harbour to go to rack and ruin.... Sunken obstructions were neither removed nor buoyed and as surprising as was this neglect of public interest, it was more than surpassed in expending money for private interests.

Much of the concern about City Council and about the Harbour Trust was rooted in a strong sense of unease about the relations each body had with private interests on the waterfront, especially with the railway companies. The Telegram's John Ross Robertson was able to combine several of his favourite themes about the City, neglect of the waterfront, and

the behaviour of the railway companies when he wrote:

> Toronto needed railways, and granted bonus after bonus to railways that have combined to swallow up the approaches to the waterfront. The whole policy of Ontario and Toronto has been everything for the railways. This province and the City have absolutely neglected the waterways, the one certain means of transportation that never has given itself up to the absolute control of the trusts and monopolies.

Public Ownership

Belief in public ownership of the waterfront was a reaction to perils the City had seemingly experienced as a result of dominant private ownership. The difficulty was that some institution, other than those that existed, was needed as the agent for a publicly owned waterfront. That agent, in effect, would assume a trust relationship and act outside the realm of local politics, keeping the long-term best interests of the City firmly in view. In 1910, the President of the Toronto Board of Trade urged the City to ask for:

> ... special legislation from the Provincial Legislature or the Dominion Government for the appointment of a strong commission of business men to have charge, on behalf of the City of Toronto, not only of Ashbridge's Bay but the entire City's waterfront, including the proposed sea wall from the westerly part of the City to the Humber. A permanent commission of this kind would ensure the careful working out of a well devised plan that would assist in developing the valuable asset that Toronto has in Ashbridge's Bay as well as leading to the attractiveness of the City in carrying out a proper scheme of boulevards along the westerly front to Humber Bay.

Given such a body, how could accountability be achieved? Robert MacGregor Dawson, the long-time dean of Canada's political scientists, argued that the Montreal Harbour Commission, on which Toronto's Board was partially modelled, "should be absolutely free from interference by government ... [and] I would like to see it composed of men who would act for themselves without the government being held responsible for their actions". According to that view, harbour and waterfront development was primarily a technical, administrative matter.

The underlying message of Dawson's statement and of earlier comments of the Board of Trade was that, freed from the potential encumbrances of politics, a right-thinking group of people would act in consonance with the public interest. Accountability as such was simply not an issue: public

ownership and the disinterested behaviour of a politically independent body would combine to produce appropriate development on the waterfront.

The 1911 Act

Notwithstanding the rhetoric of urban reform, even the proponents of an independent harbour development agency recognized the need for a framework for accountability, which took the form of the Board of Toronto Harbour Commissioners' enabling legislation. The act was the subject of considerable negotiation, which was reflected in a comment in the 1911 Annual Report of the Board of Trade:

> The preparation of a Harbour Commission Bill that would be acceptable to the City, the late Government, and the Board of Trade was no small undertaking, but a basis of agreement was finally reached with the cooperation and under the direction of Mr. A.C. McMaster, the Board's Solicitor, and Mr. William Johnston, of the City's Legal Department. It then fell to our lot to take the matter up with the Government of Wilfrid Laurier, and after several deputations and interviews at Ottawa, a satisfactory bill creating the Harbour Commission passed both House of Commons and Senate.

Accountability was established at three levels: political, financial, and functional. Political accountability was to be achieved by having the City and the federal government appoint the Commissioners. Under the act, the City's three appointees, who formed the majority, were subject to very specific requirements. The act provided that:

> ... commissioners to be appointed by the City of Toronto shall be nominated to the council by the board of control; and no commissioner shall be appointed or selected by the council in the absence of such nomination without an affirmative vote of at least two-thirds of the members of council present and voting; but the council may by a majority vote refer such nomination back to the board of control for re-consideration.

All appointments were made for three years and Board members, who were required to taken an oath of office, were subject to removal for cause. The 1911 act was silent on defining who was eligible to be a commissioner and, in the THC's early history, City Council members, Members of Parliament, and even the mayor were appointed as Commissioners. (By contrast, the 1912 Hamilton Harbour Commission Act specifically precluded elected officials from holding the office of commissioner.)

While the THC was politically accountable through the City and federal appointments process, financial accountability resided in the City's power to audit the Board's books and in the Board's obligation to report annually to the City. There was no reference to the Harbour Commissioners being subject to the powers of the federal Financial Administration Act.

The City's power to inspect the Board's books and the requirement for an annual report derived from the designated ownership of any surplus profits, which belonged -- and still belong -- to the City. Presumably, the authors of the legislation felt that the City was entitled to such funds in light of the value of the property it was expected to transfer to the Board.

Under the act, functional accountability is somewhat more diffuse, although the Board is required to obtain the consent of the Governor in Council to "sell, alienate, mortgage, or otherwise dispose of any land acquired by its predecessors or by it from the Government of the former province of Upper Canada, or of the former province of Canada, or of Canada."

The terms of the transfer of City properties also make the Board subject to agreed-on conditions; Board by-laws are subject to confirmation by the Governor in Council and have no effect until they are published in the Canada Gazette. In addition, the THC is specifically subject to terms of the Railways Act and the Customs Act.

Establishing Accountability

The Board of Toronto Harbour Commissioners Act says one thing, but Board accountability is entirely another;in its early years, the THC accounted publicly for its actions primarily through its own communications and through newspapers. In 1918, for example, Edward L. Cousins advised the Board that its lands in the Eastern Harbour Terminals were undervalued, particularly in light of what the THC had accomplished in the area, bringing it from swampland to industrial use. Cousins suggested that a new valuation be carried out and brought "to the attention of the public in a proper manner, and in my judgement the sooner the better."

The 1912 plan can be seen as the THC's method for establishing a frame of reference within which it could be held accountable, having acknowledged criticism of its approach in developing the plan in the first place. At the aforementioned 1914 conference of town planners, Robert Gourlay, responding to a question about how the Board had gained approval for the plan, said:

> In the first place, we kept our own counsel for a year. We stood criticism from some of our newspapers because it was said that the Harbour Board had been in existence for a year and had done nothing. Having arrived at a conclusion as to a practicable plan, we took the people into our confidence in the fullest possible way. We spread out our plans before the newspapers, so that they were full of it. Then we went on the platform and explained them fully to the electors, and they went through.

At the same time, Gourlay acknowledged that the Commissioners did not aim at full disclosure because: "Our trouble just now is to keep the land speculators from getting copies of our plans."

The plan was conceptual and, in comparison to schemes produced by other organizations during the same period, was surprisingly lacking in detail. The reason for the Board's approach was illuminated some years later by Edward L. Cousins, who said that the goal had been to "work out what might be termed a flexible plan." It had been Cousins' early hope "to devise a plan along the lines that will permit of development from time to time as conditions warrant and finances permit, having in mind the fact that any development, at any point in that area, will ultimately adjust itself... to the comprehensive plan as a whole".

In 1929, Cousins made another telling remark about the 1912 plan that also bears significantly on the way THC staff felt they were accountable; in a letter to the Board's general manager, J.G. Langton, Cousins said:

> ... it should be borne in mind that the Harbour Commissioners' original development plan was founded not so much on increased harbour dues or revenue from Great Lakes tonnage as from the general benefit that would accrue to the City as a whole as a result of the increased industrial and commercial growth following the development of the harbour properties. In other words, no body of businessmen could have justified recommending the expenditure of $25,000,000 on Toronto's waterfront in 1912 based on the water-borne tonnage offered either then or in the near future in and out of Toronto Harbour.

The Denton Inquiry

Formal accountability, through an examination of the Board's activities, has been limited to the judicial inquiry established by the federal government in June 1926. The Board itself had requested the inquiry in response to charges of financial mismanagement and improprieties involving commissioners and THC staff. Moreover, there had been a series of

personal, bitter disputes among the Commissioners themselves and the efforts of three Board members to depose the Board's chairperson.

County Court Judge J. Herbert Denton led the inquiry, whose terms of reference included an examination of all transactions involving the purchase and sale of property. Denton was also asked to consider the Board's revenues and expenditures, the performance of Commissioners and Board staff, the extent and cost of the Board's work to that point, and all other matters the Judge deemed appropriate. The inquiry was timely: the THC had been in existence for 15 years and had not been closely scrutinized in that time; up to that point, it had raised and spent almost $14 million on reclamation activities -- without any external examination of this activity. The Board was also beginning to achieve some of its principal objectives for land development, particularly in the Eastern Harbour Terminals.

Denton's inquiry lasted almost two years. He found little substance to most of the charges about serious incompetence and mismanagement in the Board's activities, although he found examples of mismanagement and incompetence which, given the scope of the Board's work, he thought to be relatively minor in nature. The same was true of financial improprieties: actions of some Commissioners did not look good, according to Denton, but there was no evidence of personal profit or gain or of financial injury to the THC as a result of any actions that Denton had scrutinized.

The judge's only really stinging criticism was directed, not at the Board or its works, but at the kinds of individuals who had been appointed as Commissioners. Denton felt that the appointment of elected officials was inappropriate and that the actions of various Commissioners since 1911 had amply demonstrated the point. Denton said:

> This inquiry has clearly shown that no member of the House of Commons from Toronto or the suburbs, or of the Provincial legislature or of the City Council, or of the Board of Education should be a member of the Harbour Board. The reason for this is readily seen. He is an exceptionally strong man who, knowing that he is shortly to seek the votes of the people, and who as a Harbour Commissioner has the power within his grasp of bestowing favours, or patronage, will always have the interests of the harbour alone at heart to the exclusion of all other considerations. And super men are none too plentiful at any time.

Denton, speaking about appointments to the Board, went on to say:

> ... another qualification more important still is that each member of the Harbour Board should be free and independent to exercise his

> own judgement uninfluenced by any outside power that may seek to direct or control him. There is no reason under the sun why political partisanship should be allowed to raise its head in harbour matters. This is a huge civic undertaking in which the City has risked millions, and in the management of which all its citizens, regardless of politics, race or creed, are interested, and any group association or party that seeks its own ends to select the personnel of the Board or to direct, control or dominate the members after their appointment is doing a public wrong that is certain to injure, if not imperil the management of the harbour. Nothing is more likely to lead to an industrial or commercial tragedy than leaving the affairs of the harbour in the hands of men who are appointed in a spirit of political, racial or religious partisanship, fanned, it may be, by a mischievous press or created by selfish desire for power or patronage. The interests of the harbour can best be served by men who are absolutely free from such influences and who are prepared to co-operate loyally for public service.

Judge Denton had accepted fully the rhetoric of the turn-of-the-century urban reform movement. In describing the kind of person who might make a good Commissioner, the judge said, "Exporters and importers of waterborne goods are deeply interested in harbour matters...[and] would...prove useful members" of the Board. He also identified "those who are concerned in navigation" as being possibly appropriate Commissioners. In addition, Denton suggested, "As a knowledge of engineering and contracting will be useful, it seems to me that a marine engineer or contractor would also make a useful member." The other member or members might "be men of tried business capacity, and if one of them should also have legal training, so much the better."

Denton's comments were founded in the urban reform belief that civic works, such as the rehabilitation of the Port and the development of the city's waterfront, primarily involved management and administrative issues, for which there were technically correct solutions. Politicians had little or no role to play because, if they were not lacking in technical expertise, they were mainly interested in being re-elected. Equally, politics had no place in such an endeavour because it bred dissension that slowed progress. The disputes that had occurred among members of the Board prompted Denton to conclude, "...one may well be anxious about, if not in despair of, the future of this great undertaking."

To a large extent, Denton's view of the politics of waterfront development had been formed by the behaviour of one of the Board's Commissioners, Thomas Langton Church (later a mayor of Toronto and Member of Parliament). In fact, Church's relations with fellow members

and the efforts of three other Board members to have him removed as chairperson had been one reason for appointing the inquiry. Denton was sharply critical of Church, saying that the willingness to deliberate and consult were qualities "Mr. Church does not possess... in a satisfactory degree." Denton also noted that Church tended to take "the popular view or the view that pleased his friends rather than the business-like view of a business transaction...." He concluded, "The qualities of heart that have endeared Mr. Church to so many people are unfortunately not the qualities that contribute to make a successful business administrator."

In criticizing Church, Denton did not discern, nor did he feel it necessary to discern, the possibility of public accountability. Implicit in his attitude was the view that the interests of business, coupled with sound business practices, would produce the best results. Yet his own financial analysis showed that the operating cost of Sunnyside, together with the capital cost of constructing the amusement area, involved a loss to the THC of almost $100,000 per year. The analysis also showed that, while the Board had been established with no liabilities and assets of City property valued at approximately $9 million, its then-current surplus was $5 million. In almost 15 years of operations, the Board's net worth had shrunk by almost $4 million.

Denton's concluding comments on the 1912 plan were also at odds with the sentiment, so fully expressed in the inquiry report, that there was a need for a businesslike approach to waterfront development. Denton wrote:

> If those who initiated and promoted the work had been able to read the future, these improvements would probably not have been undertaken on such a grandiose scale, but criticism along this line is futile. The work has been done, and we must look forward with hope and confidence to the day when our shipping will be such as to demand the full use of the completed harbour, and when the reclaimed lands will be sold or leased and occupied. ...What the future will bring forth must be left to those who are endowed with the gift of prophecy. Much depends, of course, upon the growth of the City, not only in population, but in the number of its industries.

The Denton inquiry was the first and, to date, the only effort aimed at holding the Board of Toronto Harbour Commissioners publicly accountable for its activities. Occasionally, the City has exerted its influence to shape the Board's actions: in the 1940s, it insisted on a debt reduction program that was intended to force fiscal responsibility on the Board. The Commissioners agreed principally because "...marketing of the [THC] debentures no doubt depended on the City's guarantee...." But such action by the City was by no means either regular or systematic.

In the 1950s and 1960s, the THC carried on in relative isolation, functionally accountable to no level of government. Accountability became an issue again in 1970, when the THC decision to build a large container warehouse at Cherry Beach caused people to organize a group called Citizens for the Waterfront. Conflict between the City and the Board became acute and intensified when a confidential federal report was leaked: it said that the Toronto Port was not viable in its present location and that the Board was using "real estate wheeling and dealing to make up for inevitable deficits in its Port operations". Alderman John Sewell was prompted to comment:

> One has to question whether the Port itself is viable. What we've got is a body that loses money on its shipping operations and recoups by filling in pieces of the lake and selling them... the Harbour Commission ought to be replaced by a body that is more directly responsible to the City.

As we have seen, the 1909 sale of waterfront property to National Iron for less than fair market value was a major factor leading to the call to wrest control of the waterfront from City Council and to create the THC. Ironically, it was another sale of waterfront land at what was said to be less than fair market value that led to the most recent effort by City Council to wrest back control: the THC sale of the prime Marine Terminal 27 land at the foot of Yonge Street in 1987 caused so much controversy over the "independence" of the Toronto Harbour Commissioners that City Council took the dramatic step of appointing three of its councillors to the Board. No longer was the THC to act "outside the realm of local politics".

The recent land deals involving Dover Corporation Canada Limited, an American-owned elevator company, graphically illustrate many of the land-use and accountability issues described earlier in this report. In that case efforts were made to have the three city-appointed councillors use their majority to sell the THC lands to the City for less than current market value.The idea was that the City, through its agent the Toronto Development Corporation, could entice Dover to stay within the City of Toronto rather than move to Mississauga where land was cheaper. Such a move would have meant a loss of over 300 industry jobs to another municipality. The deal received further criticism upon the publication of the fact that at the same time Dover's site was rezoned by the City for high-density commercial use allowing Dover to realize a significant profit on its property without actually having to stay in Toronto.

Of course, all of this creates a difficult situation for Commissioners who swear an oath to "truly and impartially" execute the powers vested in them by the federal Toronto Harbour Commissioner's Act, 1911.

Another current issue that illuminates the accountability ambiguities central to the THC is the apparent anomaly that leaves the THC subject to no environmental assessment legislation. Because it is not an agency of the City, but a federally created body, it is apparently not subject to Ontario legislation. At the same time, the THC has been exempted from federal legislation.

A number of interesting issues emerge from this review:

In order to clarify lines of accountability, should the federal government amend the act that created the THC?

To what level of government or governments should the THC be accountable? Should other levels of government, such as the Province or Metro, have some power to make appointments?

By virtue of their appointments, do City Council members who become Commissioners have a conflict of interest?

Are there other better mechanisms to provide financial and public accountability in the operations of the THC?

* * *

Toronto's waterfront has undergone remarkable change since the Board of Toronto Harbour Commissioners began its planning and developing activities in 1911; the three maps at the front of this report give some indication of the full extent of that change. Between 1912 and 1988, the Board created more than 809 hectares (2,000 acres) of property through lakefilling. But lakefilling along the western and eastern waterfront shorelines, which has reduced the size of the Inner Harbour and resulted in the creation of the Eastern Harbour Terminals and the Leslie Street Spit, represents only one aspect of change. Land use, patterns of ownership, marine and cargo handling facilities, the quality of the physical environment of the waterfront, and the area's accessibility have been dramatically transformed.

At the same time, many issues that sparked change on the waterfront have persisted: accessibility, health and environment, the future of the Port, ownership, appropriate land-use mixes, and the question of how to establish public accountability are debated as heatedly now as they ever were. Those issues still go to the heart of the search for ways to best serve the public interest in the use, enjoyment, and development of the waterfront.

This does not mean, however, that there are no qualitative differences between the issues in the past and the way they are now regarded. In fact, we are at a crucial point in the development of a vision for Toronto's waterfront. The definition of issues and the decisions about what action to take will shape what the waterfront becomes. Certainly, the issues and their solutions will need to be discussed and the organizations or agencies that can supply leadership for change will have to be identified.